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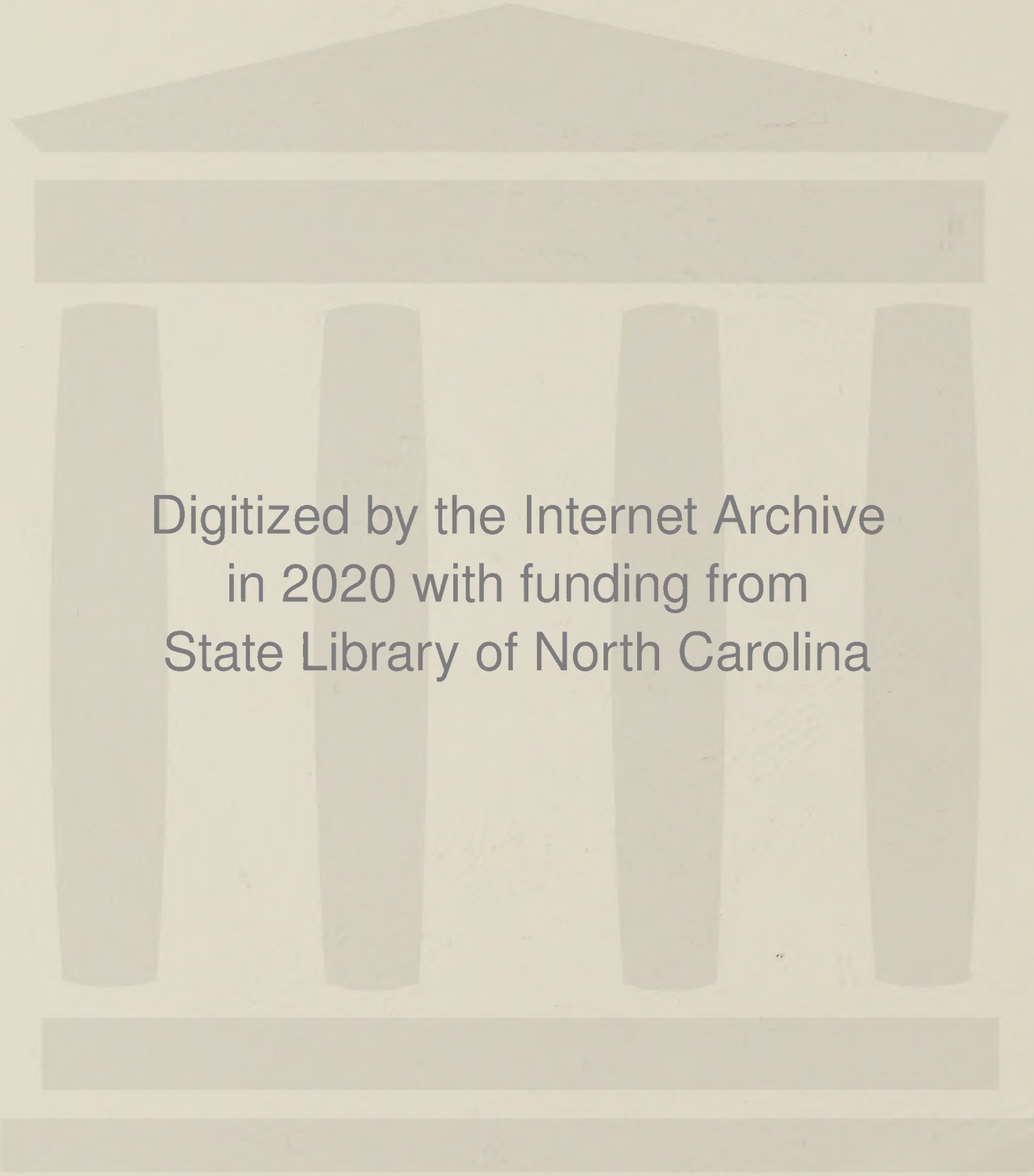
North Carolina Utilities Commission

THIRD STATISTICAL AND ANALYTICAL

Report

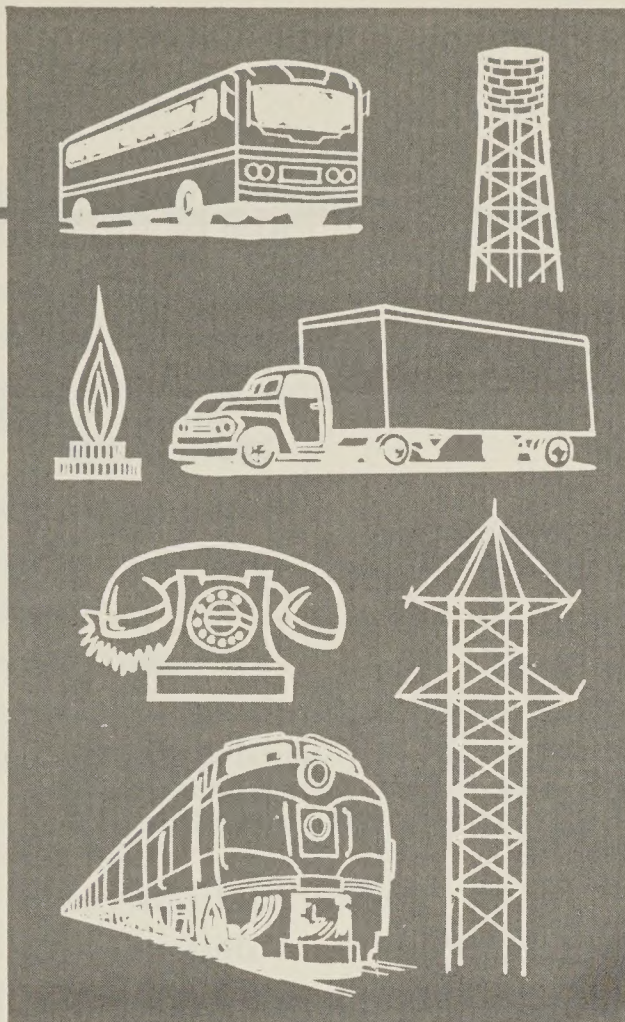
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North Carolina Utilities Commission

THIRD STATISTICAL AND ANALYTICAL

Report

DATA THROUGH

1966

LETTER OF TRANSMITTAL

March 1, 1969

The Honorable Robert W. Scott
The Governor of North Carolina
Raleigh

Dear Governor Scott:

We hereby present for your consideration the
Third Statistical and Analytical Report made
pursuant to Section 17 of the Public Utilities Act
of 1963 (G.S. 62-17).

Respectfully submitted,

Harry T. Westcott, Chairman
John W. McDevitt, Commissioner
M. Alexander Biggs, Jr., Commissioner
Clawson L. Williams, Jr., Commissioner
Marvin R. Wooten, Commissioner

TABLE OF CONTENTS

<i>Chapter</i>	<i>Page</i>
Letter of Transmittal	ii
I. Commission and Utilities in General	1
A. Present Commissioners and Staff	3
B. Historical Sketch of Development	5
C. Commission Budget and Expenditures—(Comment)	8
D. General Impact of Regulation and Regulated Utilities in 1966—Comments	8
II. The Electric Power Industry	13
A. List of Companies and Addresses	15
B. General Comment	16
C. Customer Growth—Comment	16
D. Annual Customer Usage Including Total Electric Homes	16
E. Statistical Summary Data	22
III. The Natural Gas Industry	23
A. Brief History of the Natural Gas Industry	25
B. Customer Growth—Comments	26
C. Residential Bills, Usages and Cost per MCF Comparisons	27
D. Plant Investment—Comments	27
E. Statistical Summary Data	30
IV. The Telephone Industry	35
A. Brief Review of Telephone Industry	38
B. Customer Growth	38
C. Demands for Service	38
D. Extended Area Service (EAS)	39
E. Telephone Rates—Comments	39
F. Source and Disposition of Revenues—Comment	44
G. Plant Investment—Comments	45
H. Statistical Summary Data—Comments	45
V. The Transportation Industry—Motor	53
A. General	55
B. Motor Freight Carriers	55
1. Commission Activities	55
2. Statistical Summary Data—Comments	55

TABLE OF CONTENTS—Cont.

<i>Chapter</i>	<i>Page</i>
C. Motor Passenger Carriers—Intercity and Intracity Carriers.....	72
1. General Comments.....	72
2. Intercity Motor Passenger Carriers—Comments.....	72
3. Intercity Motor Passenger Carriers—Statistical Summary Data—Comments.....	72
4. Intracity Motor Passenger Carriers—Comments.....	75
5. Intracity Motor Passenger Carriers—Statistical Summary Data.....	75
VI. The Transportation Industry—Rail	79
A. General Comments.....	83
B. Statistical Summary Data.....	83
1. Financial—Revenues—Expenses—Operating Ratio.....	83
2. Tons of Freight Originating in North Carolina.....	83
C. Rail Crossing—Accidents and Injuries.....	83
D. Railroad Hearings of Interest.....	83
VII. Water and Sewer Companies.....	89
A. General Comments.....	92
B. Statistical Summary—Comments.....	92
VIII. Investigations and Inspections.....	95
IX. Securities, Audits and Annual Reports.....	99
A. Securities Issues—Comments.....	102
B. Audits—Comments.....	102
C. Annual Reports—Comments.....	102

LIST OF TABLES, CHARTS AND GRAPHS

<i>Figure No.</i>	<i>Title</i>	<i>Page No.</i>
1	North Carolina Utilities Commission—Organization Chart.....	4
2	Utilities Regulated and Reporting to the North Carolina Utilities Commission.....	6
3	Total Volume of Proceedings Brought Before the Commission During the Year Ended December 31, 1966.....	7
4	Impact of Regulated Utilities on the Economy of North Carolina.....	9
5	Impact of Regulated Utilities on the Economy of North Carolina—Selected Statistics about Employment, Wages and Certain Taxes Paid or Levied for the Years 1966, 1965 and 1964...10	10
6	Gross Operating Revenues of the Major Utilities in North Carolina.....12	12
7	Gross Plant Allocated to North Carolina Companies—Electric—Gas—Telephone.....12	12
8	Electric Companies—Customer Growth.....17	17
9	Residential Electric Service—Class A Companies.....17	17
10	State Average Monthly Bills—Residential Service.....19	19
11	Electric Generating Capacity Owned and Purchased with Generating Capacity Located in North Carolina Shown Unit of Measure Kilowatt.....19	19
12	Disposition of the Revenue Dollar—Electric Companies.....20	20
13	Electric Companies—Class A—Energy Sales by Classes.....20	20
14	Electric Companies—Class A, C and D—Summary of Selected Income, Expense, Balance Sheet and Customer Statistics.....21	21
15	Gas Companies and Municipal Gas Systems.....25	25
16	Gas Companies—Customer Growth by Classes.....26	26
17	Regulated and Municipal Gas Systems—Number of Customers, Total Revenue from Sales of Gas and Total MCF Sold.....28	28
18	Gas Companies Energy Sales by Classes to Ultimate Consumers.....30	30
19	Residential Natural Gas Customer Annual Usage and Cost Data (MCF).....31	31
20	Summary of Natural Gas Industrial Usage, Revenues and Customers.....32	32
21	Disposition of the Revenue Dollar—Gas Companies.....33	33
22	Gas Companies—Summary of Selected Income and Expenses, Balance Sheet and Customer Statistics.....34	34
23	Telephone Companies Operating in North Carolina and Number of Total Telephones in Service.....37	37
24	Telephones in Service with Per Cent Increase 1966 over 1965.....38	38
25	Telephone Rates—Monthly Flat Rates by Calling Scope Groupings for One Party Business and Residential Service.....40	40
26	Local Service Telephone Monthly Rates.....42	42
27	North Carolina Intrastate Telephone Toll Rates.....43	43

LIST OF TABLES, CHARTS AND GRAPHS—Cont.

<i>Figure No.</i>	<i>Title</i>	<i>Page No.</i>
28	Telephone Companies—Operating Revenues and Sources with Per Cent Increase 1966 over 1965.	44
29	Disposition of the Revenue Dollar—Telephone Companies.	44
30	Plant Investment per Telephone—Telephone Companies.	45
31	Gross and Net Plant Allocated to North Carolina Operations—Telephone Companies.	46
32	Telephone Companies, Classes A, B, C and D—Summary of Selected Income, Expense, Balance Sheet and Customer Statistics.	50
33	Motor Freight Carriers—Class I & II—Vehicle Miles Operated in North Carolina.	54
34	Motor Freight Carriers—Class I & II—Operating Revenues Allocated to North Carolina.	54
35	Motor Freight Carriers—Classes I, II & III—Summary of Selected Income Items and Operational Statistics.	56
36	Motor Freight Carriers—Class I—Income, Expense, Operating Ratio and Net Income Data.	60
37	Motor Freight Carriers—Class II—Income, Expense, Operating Ratio and Net Income Data.	67
38	Class I Intercity Carriers Operating Revenue.	72
39	Motor Passenger Carriers—Intercity, Class I & II—Number of Revenue Passengers Carried (System-wide Data).	72
40	Motor Passenger Carriers—Intercity, Classes I, II & III—Summary of Selected Income Items and Operational Statistics.	73
41	Motor Passenger Intracity Carriers Classes I, II & III—Total Operating Revenues, Expenses and Ratio.	75
42	Motor Passenger Carriers—Intracity, Classes I, II & III—Summary of Selected Income and Operational Statistics.	76
43	Intracity Carriers Franchised by Municipalities Fares Only Regulated by North Carolina Utilities Commission.	75
44	Map of North Carolina Railroads.	80
45	Railroads Operating in North Carolina as of December 31, 1966.	82
46	Railroad Classes I & II—Expenses and Revenues.	84
47	Tons of Freight Originating in North Carolina.	84
48	Railroads—Class I & II—Summary of Selected Income, Expense, Balance Sheet and Statistical Items.	85
49	Water and Sewer Systems Certificates of Convenience and Necessity Granted during 1965.	91
50	Water and Sewer Companies—Summary of Selected Financial and Statistical Data of 34 Water Companies.	93
51	Summary of Investigation and Inspections.	97
52	Financing and Accounting Matters—Security Issues—New Capital.	100

I. The Commission And Utilities In General

NORTH CAROLINA UTILITIES COMMISSION
Commissioners and Supervisory Personnel as of
December 31, 1968

Commissioners

Harry T. Westcott, Chairman

John W. McDevitt, Commissioner	M. Alexander Biggs, Jr., Commissioner
Clawson L. Williams, Jr., Commissioner	*Marvin R. Wooten Commissioner

Staff Members

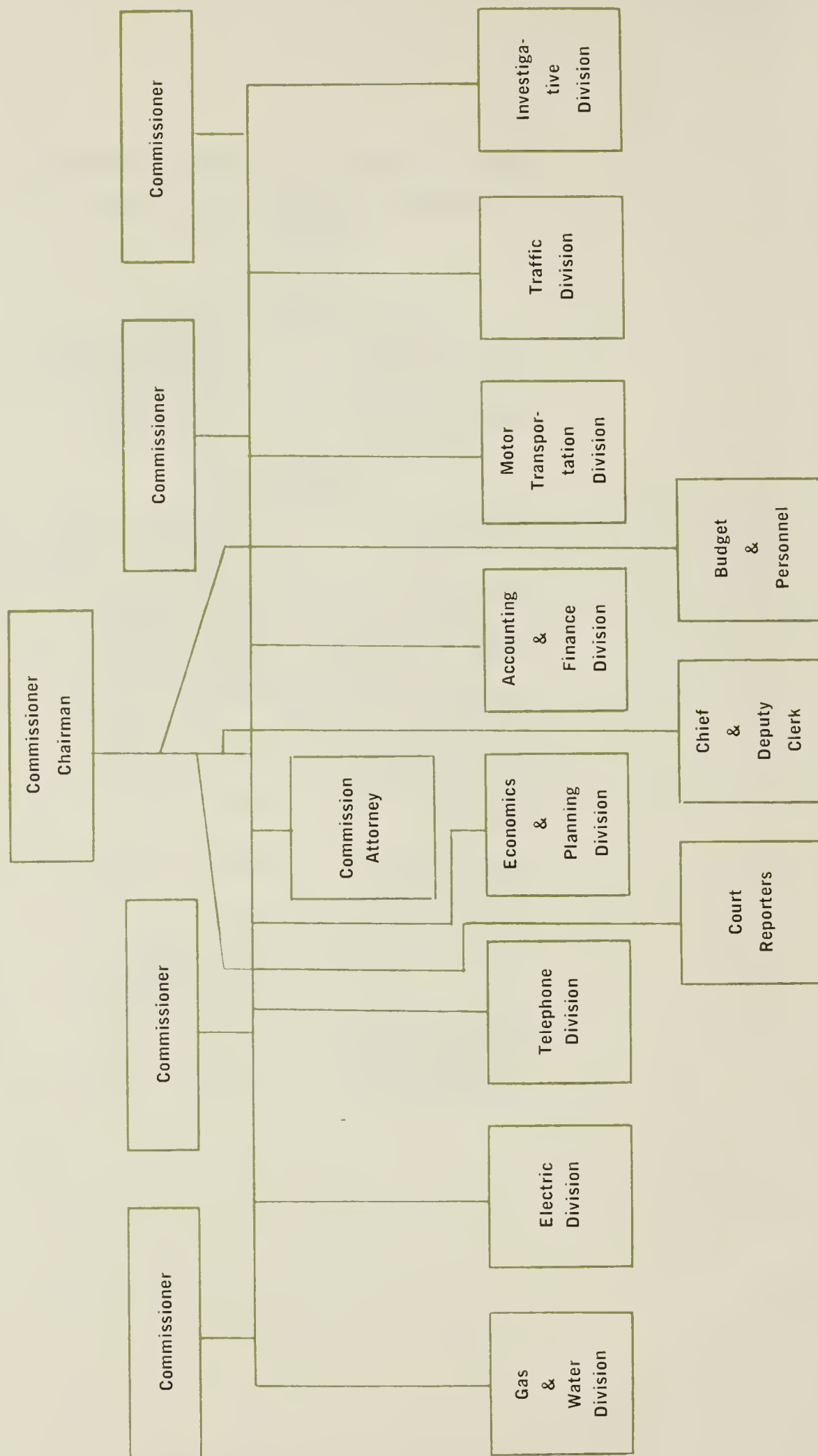
Chief Clerk	Mrs. Mary Laurens Richardson
Deputy Clerk	Mrs. Katherine M. Peele
Commission Attorney	Edward B. Hipp
Division of Accounts	Stewart J. Painter
Division of Budget and Personnel	Margaret E. Corbett
Division of Economics and Planning	Joseph W. Smith
Division of Electric Power	Robert K. Koger
Division of Motor Transportation	Eugene A. Hughes, Jr.
Division of Natural Gas	Raymond J. Nery
Division of Telephones	Vern W. Chase Gene A. Clemmons
Division of Traffic and Rail Transportation	T. Grant Killian
Division of Water and Sewer Services	Raymond J. Nery

*Replaced Thomas R. Eller, Jr. as of 12-20-1968.

FIGURE 1

NORTH CAROLINA UTILITIES COMMISSION—ORGANIZATION CHART

December 31, 1966-1968



I. THE COMMISSION AND UTILITIES IN GENERAL

Historical Sketch of Development

The present North Carolina Utilities Commission evolved from the Railroad Commission which was created in 1891 by the General Assembly and was given authority to determine charges made for services rendered by railroads, steamboat or canal companies, express and telegraph companies.

The major changes occurring in the North Carolina regulatory field since 1891 are in chronological order as follows:

- 1893—Telephone industry brought under regulation.
- 1897—Street railways brought under regulation.
- 1899—Railroad Commission abolished and the North Carolina Corporation Commission created. The North Carolina Corporation Commission was given general supervision of railroads, steamboat navigation and canal companies, express and telegraph and telephone companies, building and loan associations, banks, and sleeping car companies.
- 1900—The Corporation Commission's duties enlarged to encompass general supervision over tax listers and tax assessors.
- 1905—Supervision of building and loan associations transferred to State Insurance Commissioner.
- 1913—Electric light, power, water, and gas companies, excluding municipally owned, came under regulation.
- 1925—Capital Issues Law administered by the Corporation Commission. Motor vehicle common carriers of persons and property over regular or specified routes brought under regulation.
- 1931—Transfer of banking department to the Commissioner of Banks.
- 1933—The Corporation Commission abolished; the office of Utilities Commissioner created with two associate commissioners.
- 1937—Administration of Capital Issues Law transferred to Secretary of State.
- 1941—The North Carolina Utilities Commission established consisting of three full-time members with six-year terms.
- 1947—Motor vehicle common and contract carriers of property over irregular routes brought under regulation and regulation implemented.
- 1949—Bus Act of 1925 replaced and jurisdiction over common and contract carriers of passengers, regular and irregular routes, expanded. Membership increased to five commissioners and a technical staff of engineers, accountants, and directors of transportation added.

1963—The utility laws of North Carolina updated and rewritten.

1965—Electric Membership Corporations brought under limited jurisdiction of the Utilities Commission relating to assignment of service areas, generation, filing rates, performance of service and promotional payments.

Number of Companies Regulated

The number of companies whose services and rates are regulated by the Commission pursuant to the Public Utilities Act continues to increase as additional certificates and permits are granted. At December 31, 1966, 910 companies were regulated by the Commission, and another 82 operations, while not directly regulated by the Commission, were required to file reports with the Commission. While new companies were being certificated, others were deleted from the list of regulated utilities because of sales, mergers, abandonments, etc. In 1966 there were a total of 86 changes in certificates of motor freight carriers resulting in a net increase of 5, from 615 to 620. Electric utilities and telephone utilities remained the same. Outstanding water and sewer franchises were increased 9. The net over-all gain in regulated companies was 11 for 1966 over 1965.

Commission Case Load; Formal and Informal Hearings

In addition to the multiplicity of decisions made informally by the Commission in conferences with its staff and interested parties and the many small complaints and inquiries disposed of daily by individual Commissioners and individual staff heads through correspondence, by telephone, and personal discussion with utility customers, executives, and various representatives, organizations, associations, and persons, the Commission maintains a full docket of formal and semi-formal hearings and conferences.

During 1966, there were 870 docketed proceedings. Of these, 194 were resolved through formal hearings, with the Commission, either in full or by hearing divisions. Eight (8) of these were assigned by the Commission to hearing examiners. Motor freight transportation matters accounted for 46.9 per cent or 91 of the total cases formally heard and decided. Telephones were second in volume of formal hearings with 12.9 per cent or 25 cases heard and decided formally. However, the formal hearings consuming the greatest amount of time continues to be the electric and telephone utilities. Based upon cases transcribed, the average number of pages of transcribed testimony required for each formal hearing is approximately 95. Some 546 matters before the Commission, while not resulting in formal hearings, were decided by formal order. Most of these, or 212, involved telephone utilities. Fifty-one (51) orders originated in the Division of Traffic and Rail Transportation on direction of the Commission and affected railroads and trucking companies.

FIGURE NO. 2

**UTILITIES REGULATED AND REPORTING TO THE
NORTH CAROLINA UTILITIES COMMISSION**

Type of Utility or Service	Number as of June 30, 1960	Number as of December 31,			
		1963	1964	1965	1966
Electric.....	15	14	13	13	13
Gas.....	8	8	8	7	7
Motor Freight Carriers by Type:					
Common Carriers.....	502	521	521	516	518
Contract Carriers.....	57	75	77	73	74
Common and Contract Carriers.....	10	15	15	20	22
Railroad Motor Freight Carriers.....	5	6	6	6	6
Total Motor Freight Carriers.....	574	617	619	615	620
Motor Passenger Carriers by Type:					
Common Carriers.....	54	49	47	47	46
Contract Carriers.....	14	13	15	15	15
Leased Operations.....	7	6	6	6	5
Intracity Carriers (Franchised by Municipalities)	13	12	12	11	11
Total Motor Passenger Carriers.....	88	80	80	79	77
Motor Boat Common Carriers.....	1	1	2	2	2
Railroads.....	30	29	29	29	28
Transportation Brokers.....	1	2	3	4	4
Telephone.....	35	34	34	32	32
Telegraph.....	1	1	1	1	1
Water and Sewer.....	94	107	106	117	126
Total Utilities Under Regulation.....	847	893	895	899	910
Municipal Utility Systems required to File Annual Reports with North Carolina Utilities Commission:					
Electric.....	73	73	73	73	73
Gas.....	7	8	8	8	8
Telephone.....	1	1	1	1	1
Grand Total of Utilities Regulated or Required to File Reports.....	928	975	977	981	992

FIGURE NO. 3

**TOTAL VOLUME OF PROCEEDINGS BROUGHT BEFORE THE COMMISSION
DURING THE CALENDAR YEAR ENDED 12-31-66
(Does not include Minor Type Customer Complaints settled
by Commissioners and Staff Personnel)**

Division and Number of Proceedings

Item	Buses	Electric	Gas	Housing	Rail- Roads	Tele- phones	Trucks	Water & Sewer	Western Union	Railway Express	General & Misc.	Grand Totals
Total Proceedings Before Commission-----	66	73	25	6	62	247	284	80	8	15	4	870
Disposition of Proceedings:												
1. Formal hearings held with orders to follow----	24	2	1	5	19	25	91	24		0	3	194
2. Conferences and informal hearings held with the following types of decisions resulting:												
a. Regular and letter type orders and rulings--	30	59	21	0	11	212	149	41	8	15	0	546
b. Short form orders issued-----	7	0	0	0	28	0	16	0	0	0	0	51
3. Filings open as of 12-31-66:												
Rate Changes*-----	0	0	1	0	0	1	6	2	0	0	0	10
Others*-----	5	12	2	1	4	9	22	13	0	0	1	69
4. Total Proceedings accounted for-----	66	73	25	6	62	247	284	80	8	15	4	870
Per cent of Total Proceedings-----	7.6%	8.4%	2.9%	.7%	7.1%	28.4%	32.6%	9.2%	.9%	1.7%	.5%	100.0%
Number of Orders Appealed-----	1	0	0	0	2	2	2	0	0	0	0	7

*Includes 15 proceedings heard during 1966

**SUMMARY OF THE SOURCES AND EXPENDITURES ADMINISTERED BY THE
COMMISSION THROUGH ITS DIVISION OF BUDGET AND PERSONNEL
Fiscal Year Ended June 30, 1966**

Sources	Amount
General Fund Appropriation.....	\$ 382,977
Other Receipts:	
State Highway Commission.....	187,620
Fees Collected.....	29,918
Sale of Equipment.....	271
Sale of Publication.....	465
Transfers and Reimbursement.....	5,793
	<hr/>
Total Funds from all Source.....	\$ 607,044
 Expenditures by Objects:	
Salaries and Wages.....	\$ 526,884
Supplies and Material.....	5,037
Postage, Telephone and Telegraph.....	9,215
Travel Expense.....	16,181
Printing and Binding.....	11,822
Motor Vehicle Operation.....	7,382
Repairs and Alteration.....	821
General Expense.....	3,716
Insurance and Bonding.....	305
Equipment.....	6,243
Purchase of Cars.....	5,026
Contribution to Retirement System.....	10,099
Contribution to Social Security.....	4,283
Imprest Cash.....	30
	<hr/>
Total.....	\$ 607,044

The North Carolina Utilities Commission is supported primarily by appropriations from the General Fund and the State Highway Commission. Monthly reports are made to the budget division and auditor's office which reflect the status of the finances of the Commission.

**GENERAL IMPACT OF REGULATION AND
REGULATED UTILITIES IN 1966**

Economic Effects. Employment in 1966 by the companies under regulation in North Carolina was on average 63,157 with a payroll of \$397 million and represented 5.4% of total state insured worker employment. They paid \$10 million in total corporate state income taxes, or about 11.3% of the state total of this category of taxes collected in the state for the fiscal year 1966-67. These same companies paid \$33 million in franchise (gross receipts) taxes into the General Fund of the State, for about 72.5 per cent of all franchise taxes paid into the general fund. They also paid 29.2 per cent, or \$7 million of all bus, truck, and franchise taxes paid into the state's highway fund. The regulated utility industry also paid \$21 million, or 8.1 per cent of the total of \$257 million

paid in local ad valorem and personal property taxes for the entire state. (See Figures No. 4 & 5 for details.)

During 1966, the electric, gas and telephone companies invested a total of \$197 million in new capital in North Carolina for a total capital investment at year's end of over \$2¼ billion. (See Figure No. 7.) The average annual wage paid by all the regulated companies was \$6,281 as compared to the state average of \$4,603 for workers covered under Employment Security.

Some 1,317,464 electric, gas and water and sewer customers were served, with an additional 1,709,541 telephones in service at year end. The regulated motor passenger carriers operated their busses some 34 million miles in North Carolina during 1966 and 6,777,033 tickets originated at the various bus stations and terminals located in the state. The

railroads hauled about 18½ million tons of freight which originated in North Carolina. The combined gross income for all regulated companies in North Carolina for 1966 was \$914 million. All of this income was paid in the form of regulated rates pursuant to published tariffs. (See Figure No. 6.)

The great majority of regulated North Carolina utilities are expanding and profitable, while consumers' rates generally are decreasing or stabilizing. The tremendous impact of the activities and operations of regulated utilities upon the state's economy and the general supply of common necessities seems so obvious as to require very little elaboration.

Customer Effects. During 1966, 186,810 natural gas customers received rate reductions totaling \$942,877. The reductions were spread as follows:

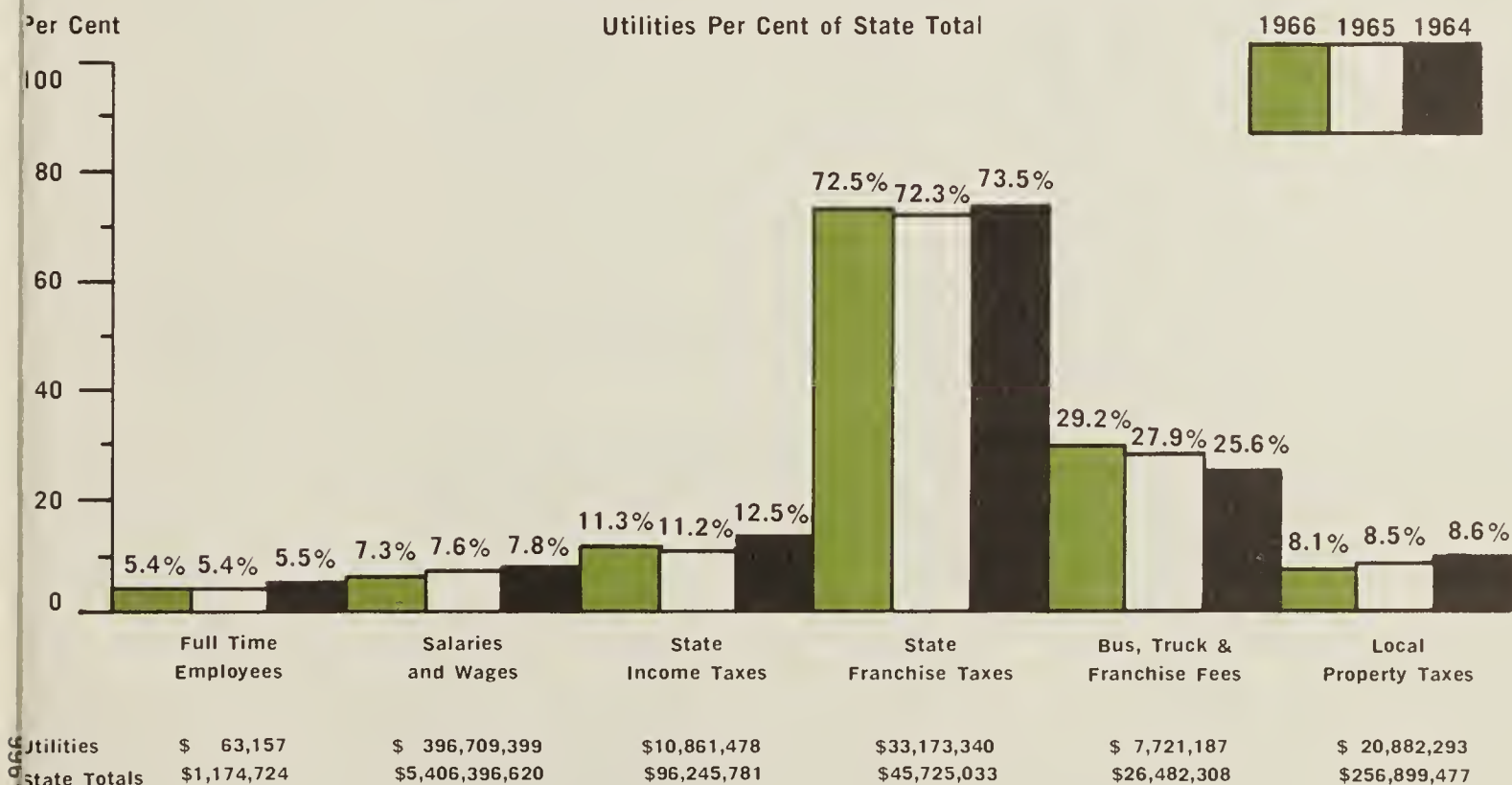
Type	Number of Customers	Amount of Reduction
Residential	173,128	\$ 664,057
Commercial	13,272	164,715
Industrial Firm	410	114,105

These reductions resulted primarily from the Commission authorizing the gas companies to pass on to their customers the effect of Trans Continental's lower charges to them for purchases of gas.

The general impact of the growth and healthy condition of the regulated utilities operating in North Carolina contributed to the ability of the companies to more or less maintain stable charges for their services.

FIGURE NO. 4

IMPACT OF REGULATED UTILITIES ON THE ECONOMY OF NORTH CAROLINA—1964-1965-1966



Utility Group	State Franchise Taxes (Gross Receipts or Privilege Taxes)		Bus, Truck, and Franchise Fees ^C		Local Property Taxes	
	1966	1965	1966	1965	1966	1965
Electric ^I	\$ 18,328,571	\$ 16,588,775	\$ 15,551,009	-0-	\$ 9,181,745	\$ 8,491,964
Gas.....	3,523,990	3,060,120	2,868,058	-0-	1,470,063	1,430,202
Telephone.....	10,141,543	9,151,524	8,402,736	-0-	6,559,704	5,826,558
Motor Freight Carriers.....	-0-	-0-	7,422,488	5,977,852	853,098	789,636
Motor Passenger Carriers.....	-0-	-0-	298,699	277,334	-0-	-0-
Railroads ^K	1,158,845A	1,113,203A	1,076,205A	-0-	2,782,223B	3,550,944B
Western Union.....	20,391A	24,302A	22,578A	-0-	35,460D	32,808D
Total Utilities.....	\$ 33,173,340	\$ 29,937,924	\$ 27,920,586	\$ 7,131,823	\$ 20,882,293	\$ 20,125,112
Total for State.....	\$ 45,725,033A	\$ 41,383,066A	\$ 37,976,467A	\$ 25,571,715	\$ 256,899,477E	\$ 236,941,505E
Utilities Percent of State Total.....	72.5%	72.3%	73.5%	27.9%	8.1%	8.5%

* State Totals for Domestic and Foreign Corporations only.

A Statement of the Revenues of the General Fund for the fiscal years reported—From Department of Administration—Budget Division.

B From Utility Reports: 55 Class I—70 Class II—54 Class III Motor Carriers.
All Class I & II Railroads operating within the State.

C From Motor Vehicles Department. (State Totals include Bus & Franchise Taxes—Truck & Trailer Plates—For Hire Plates)

D Computed from Tables 109 & 107—Statistics of Taxation—1966, N. C. Research Tax Department. 1964 Data Computed from Tables 120 & 111. Statistics of Taxation—1964 (Fiscal Year 1964-1965)

E Table 106—Statistics of Taxation—(Fy 1964-65) 1966. Edition—N. C. Research Tax Department. 1964 Data Table 110—Statistics of Taxation—1964 (Fiscal Year 1964-1965)

F Tabel 1, Page XVII, "Insured Employment and Wage Payments" for Years Reported. State Totals are for all Industries with Insured Employment(76% of the State's Non-agricultural Employment is Insured.)

G Tables 59 & 61—Statistics of Taxation—1966 Edition—N. C. Research Tax Department.

H Table 1, Industry Groups 411, 413 & 421, "Insured Employment & Wage Payments"—by Employment Security Commission of N. C. See Annual Editions for Specific Years.

I Class A Only.

J Estimate based on Total Net Collections for the Fiscal Year Ended June 30, 1965 (Statistics of Taxation, 1964, Tables 33, 63, and 65.)

K Class I Only.

FIGURE NO. 6

GROSS OPERATING REVENUES OF THE MAJOR UTILITIES IN NORTH CAROLINA
For the Calendar Year 1963, 1964, 1965 and 1966

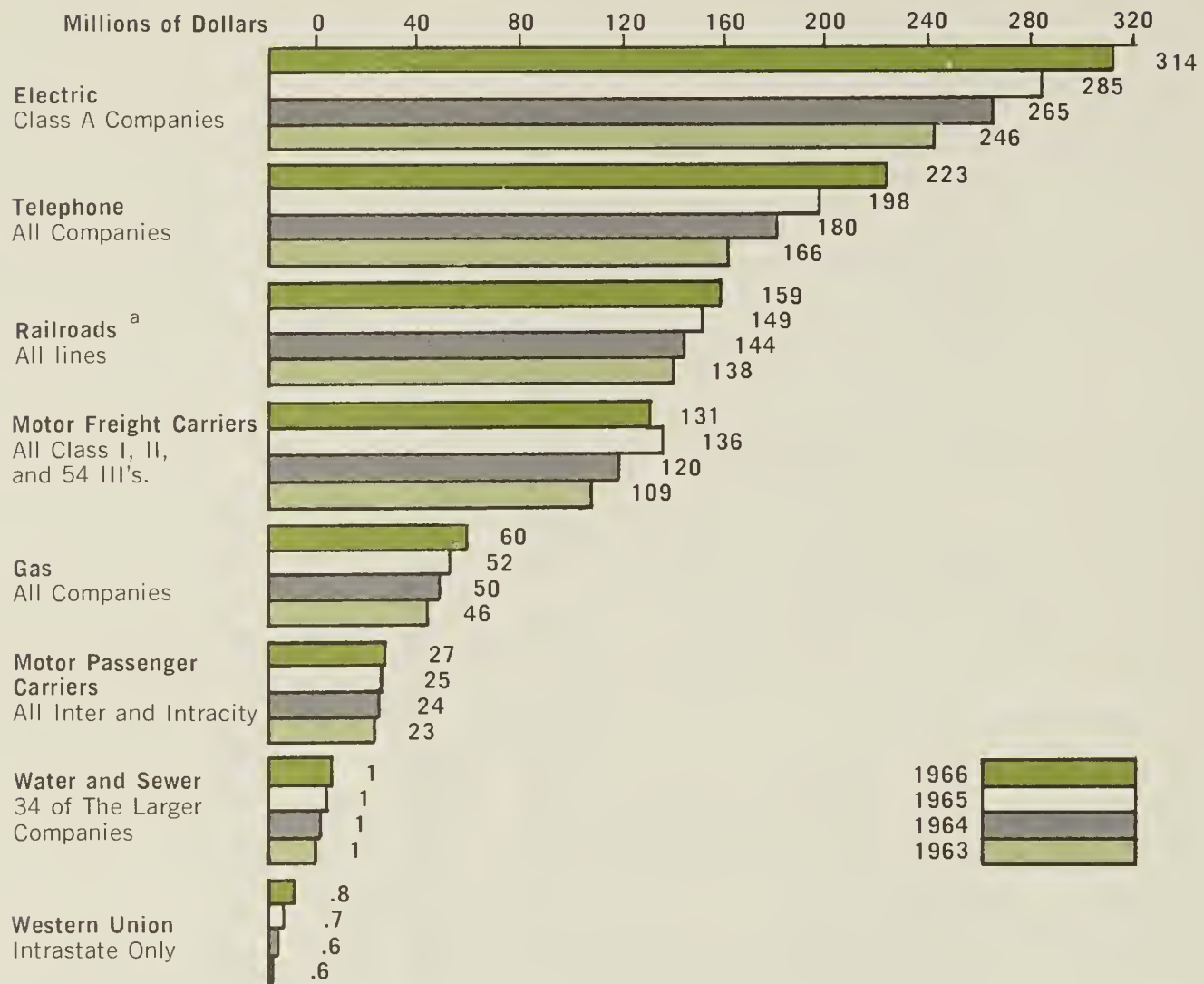
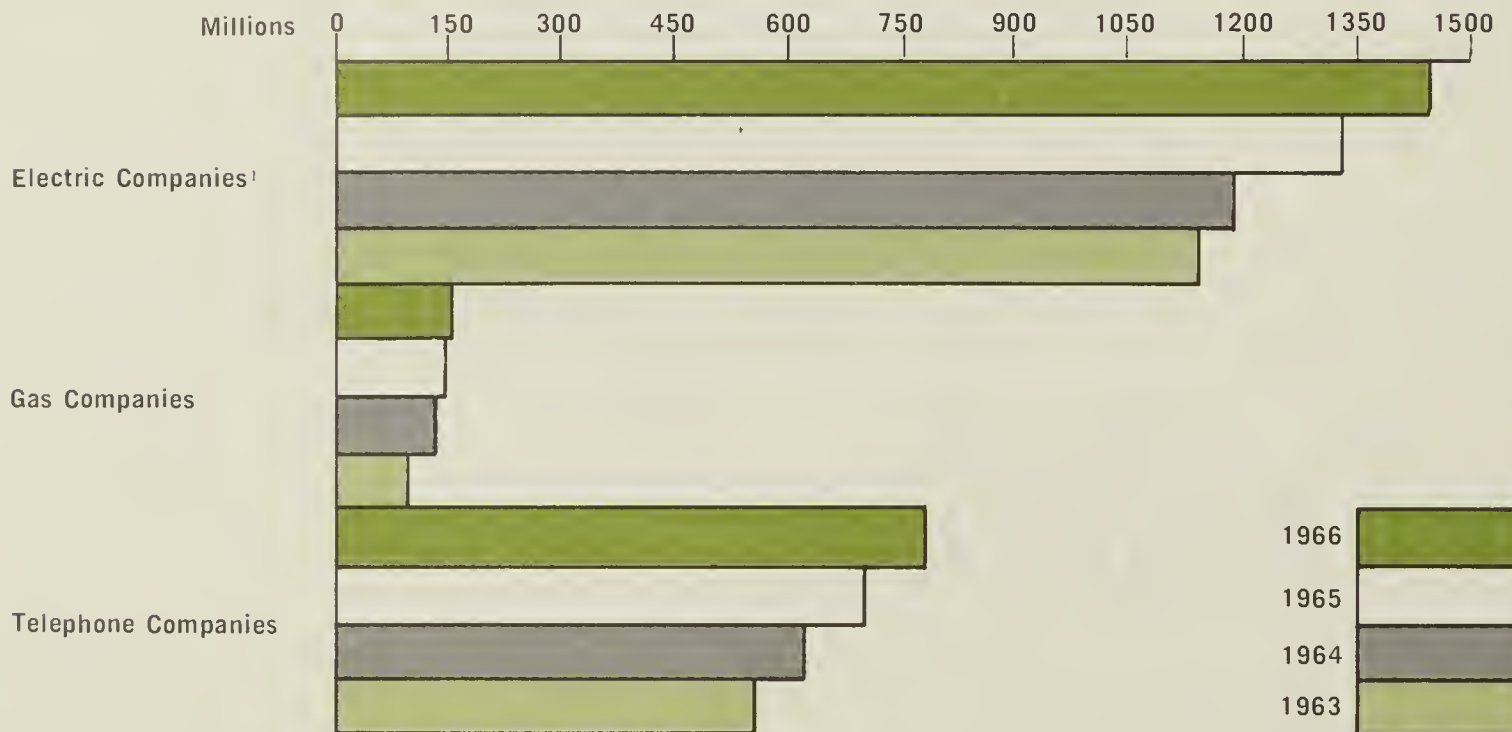
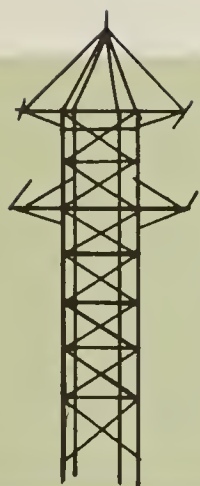


FIGURE NO. 7

GROSS PLANT ALLOCATED TO NORTH CAROLINA COMPANIES
ELECTRIC—GAS—TELEPHONE
For the Years 1963, 1964, 1965 and 1966





II. The Electric Power Industry

POWER COMPANIES—CLASS A

December 31, 1966

Officers

CAROLINA POWER AND LIGHT COMPANY, RALEIGH, NORTH CAROLINA

Organized: April 6, 1926.

President: Shearon Harris, Raleigh, North Carolina.

Secretary: R. S. Mallison, Raleigh, North Carolina.

Service (For North Carolina): Electric.

States Served: North Carolina and South Carolina.

DUKE POWER COMPANY, CHARLOTTE, NORTH CAROLINA

Organized: May 1, 1917.

President: W. B. McGuire, Charlotte, North Carolina.

Secretary: J. D. Hicks, Charlotte, North Carolina.
Service: (For North Carolina): Electric, Water, Bus.

States Served: North Carolina and South Carolina.

NANTAHALA POWER AND LIGHT COM- PANY, FRANKLIN, NORTH CAROLINA

Organized: July 23, 1929.

President: John M. Archer, Jr.

Secretary: W. W. Sloan, Franklin, North Carolina

Service: Electric.

State Served: North Carolina.

VIRGINIA ELECTRIC AND POWER COM- PANY, RICHMOND, VIRGINIA

Organized: June 29, 1909.

President: A. H. McDowell, Jr., Richmond, Virginia. (Deceased 3/25/67)

Vice-President and North Carolina Manager:
A. L. Jameson, Williamston, North Carolina.

Secretary: Ralph Kilday, Richmond, Virginia.

Service (For North Carolina): Electric.

States Served: North Carolina, Virginia, West Virginia.

POWER COMPANIES—Class C & D

Towns Served

Crisp Power Company, (Edgecombe County)
Inc. Rural

Davenport Power & (Edgecombe-Wilson
Light Company Counties) Rural

Domestic Electric (Edgecombe County)
Service, Inc. Rural

Laurel Hill Electric Laurel Hill, N. C.
Company

Pamlico Power & Light Engelhard, N. C., and
Co., Inc. vicinity

Pinehurst, Inc. Pinehurst, N. C.

Roselle Lighting
Company

Rocky Mount Mills

Washington Mills
Company

(Rowan County) Rural

(Nash County) Rural

Mayodan, N. C.

MUNICIPAL ELECTRIC SYSTEMS AND SOURCE OF POWER

Municipality

Source of Power

Albemarle
Apex

Duke Power Company
Carolina Power & Light
Company

Ayden
Belhaven

Greenville
Virginia Electric and Power
Company

Benson

Carolina Power & Light
Company

Black Creek
Bostic

Wilson
Duke Power Company
Southeastern Power
Administration

Cherryville
Clayton

Duke Power Company
Carolina Power & Light
Company

Concord
Cornelius
Dallas
Davidson
Drexel
Edenton

Duke Power Company
Duke Power Company
Duke Power Company
Duke Power Company
Duke Power Company
Virginia Electric and Power
Company

Elizabeth City

Virginia Electric and Power
Company

Elm City
Enfield

Wilson
Virginia Electric and Power
Company

Farmville

Carolina Power & Light
Company

Fayetteville

Carolina Power & Light
Company

Forest City
Fountain
Fremont

Duke Power Company
Farmville
Carolina Power & Light
Company

Gastonia
Granite Falls
Greenville

Duke Power Company
Duke Power Company
Virginia Electric and Power
Company

Hamilton

Virginia Electric and Power
Company

Hertford

Virginia Electric and Power
Company

High Point
Highlands

Duke Power Company
Nantahala Power and Light
Company

Hobgood
Hookerton

Scotland Neck
Carolina Power & Light
Company

Huntersville
Kings Mountain

Duke Power Company
Duke Power Company

Kinston	Carolina Power & Light Company
LaGrange	Carolina Power & Light Company
Landis	Duke Power Company
Laurinburg	Carolina Power & Light Company
Lexington	Duke Power Company
Lincolnton	Duke Power Company
Louisburg	Carolina Power & Light Company
Lucama	Wilson
Lumberton	Carolina Power & Light Company
Macclesfield	Wilson
Maiden	Duke Power Company
Monroe	Duke Power Company
Morganton	Duke Power Company
Murphy	TVA
New Bern	Carolina Power & Light Company
Newton	Duke Power Company
Oak City	Edgecombe Membership Corporation
Pikeville	Carolina Power & Light Company
Pine Tops	Wilson
Pineville	Duke Power Company
Red Springs	Carolina Power & Light Company
Robersonville	Virginia Electric and Power Company
Rocky Mount	Carolina Power & Light Company
Scotland Neck	Virginia Electric and Power Company
Selma	Carolina Power & Light Company
Sharpsburg	Rocky Mount
Shelby	Duke Power Company
Smithfield	Carolina Power & Light Company
Southport	Carolina Power & Light Company
Stantonsburg	Wilson
Statesville	Duke Power Company
Tarboro	Virginia Electric and Power Company
Wake Forest	Carolina Power & Light Company
Walstonburg	Wilson
Washington	Virginia Electric and Power Company
Waynesville	Carolina Power & Light Company
Wilson	Carolina Power & Light Company
Windsor	Virginia Electric and Power Company
Winterville	Greenville

II. THE ELECTRIC POWER INDUSTRY

There are four major electric utilities (i.e., companies with \$2,500,000 or more annual gross op-

erating revenues) and nine small electric companies in North Carolina under the regulation of the North Carolina Utilities Commission. The four major or Class A companies serve over 98 per cent of the customers receiving regulated service in the state either directly or as a supplier of electric energy on a wholesale basis to fifty-eight (58) cities and towns in addition to twenty-seven (27) cooperatives and four independently-owned distribution companies throughout the state served by the electric utilities under Commission jurisdiction.

Of the four major companies, only Nantahala Power and Light Company of Franklin, North Carolina, operates solely within North Carolina, and although it qualifies as a Class A size utility because of annual operating revenue in excess of 2.5 million dollars, its service area and number of customers are small compared to the other three Class A companies. Over fifty per cent of Nantahala's revenue and about seventy per cent of its kilowatt-hour sales come from its commercial and industrial customers. ALCOA has an aluminum operation at Alcoa, Tennessee, which utilizes all of Nantahala's energy generating potential not required for its North Carolina customers. All of Nantahala's electric generation of power is by hydro-electric facilities. The geographical location and the current makeup of its customers place Nantahala in a different position from the other major power companies operating in the state, especially in the areas of providing generating capacity and meeting competition of other sources of energy for residential heating and commercial and industrial uses.

CUSTOMER GROWTH

The four major electric utilities experienced a customer growth rate of 3.2 per cent for 1966 over 1965. The net customer increase was 33,671 for a total of 1,099,321. The minor electric companies increased their customers at a rate of 1.9 per cent for a total of 8,286 customers receiving service during 1966. Thus the electric utilities regulated by the North Carolina Utilities Commission served an average of 1,107,607 customers during 1966.

ANNUAL CUSTOMER USAGE

At the same time the rate of connections of new customers was increasing in 1966 by about 3.2 per cent over 1965. The annual usage per existing customer was increasing by 4.5 per cent, or from about 6,697 in 1965 to about 7,140 kwh in 1966. This compares to about 4,931 kwh nationally per residential customer for 1966. (See Figure No. 9.)

A study of residential electric customers for North Carolina cities of 50,000 or more in population for the period 1960-1966 reveals that these North Carolina customers used a far greater number of kilowatt hours per customer annually than customers in cities of similar size over the United States and exceeded the average per customer residential consumption throughout the country for the same periods.

FIGURE NO. 8
ELECTRIC COMPANIES—CUSTOMER GROWTH
(North Carolina Class A Data Only)

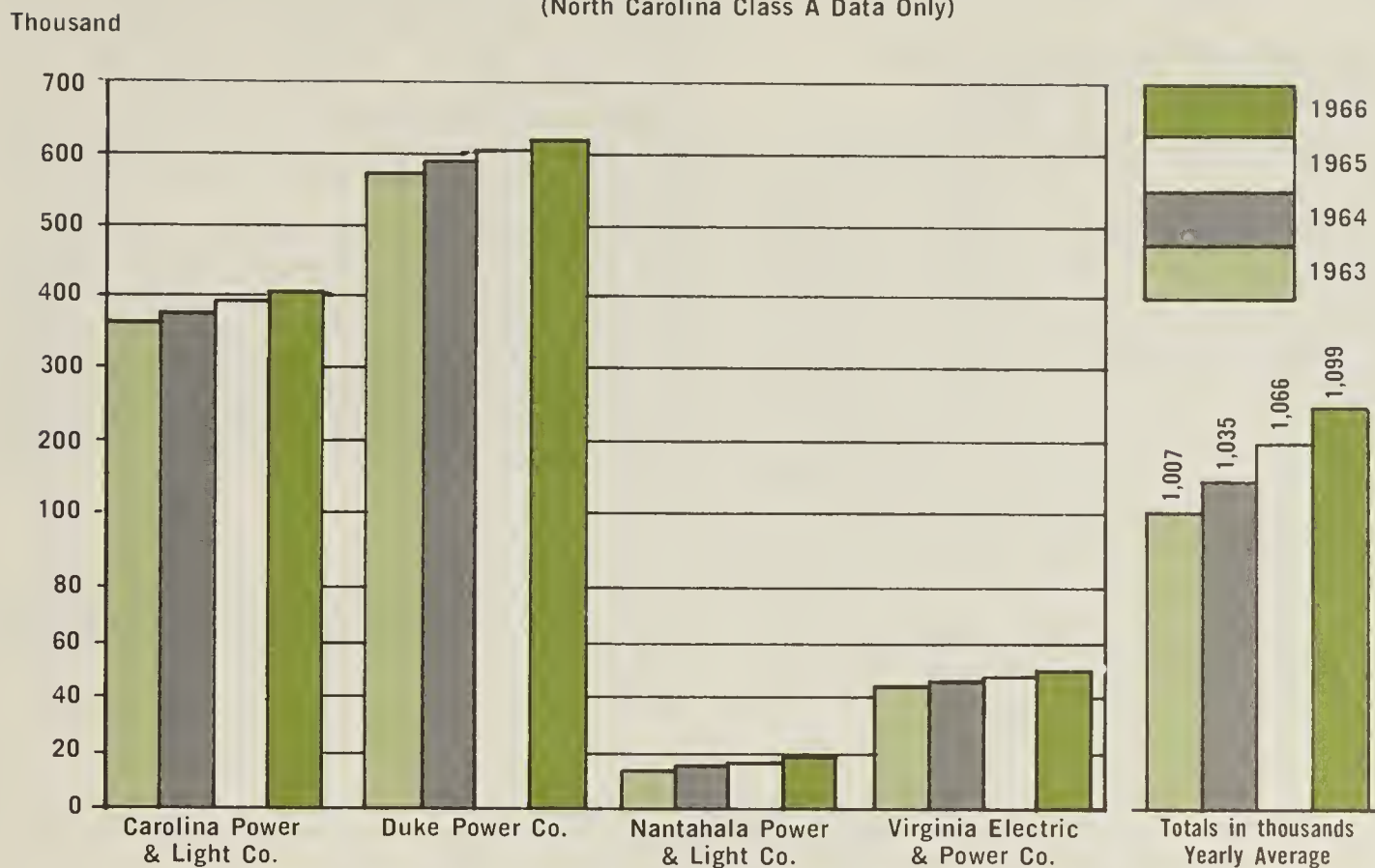
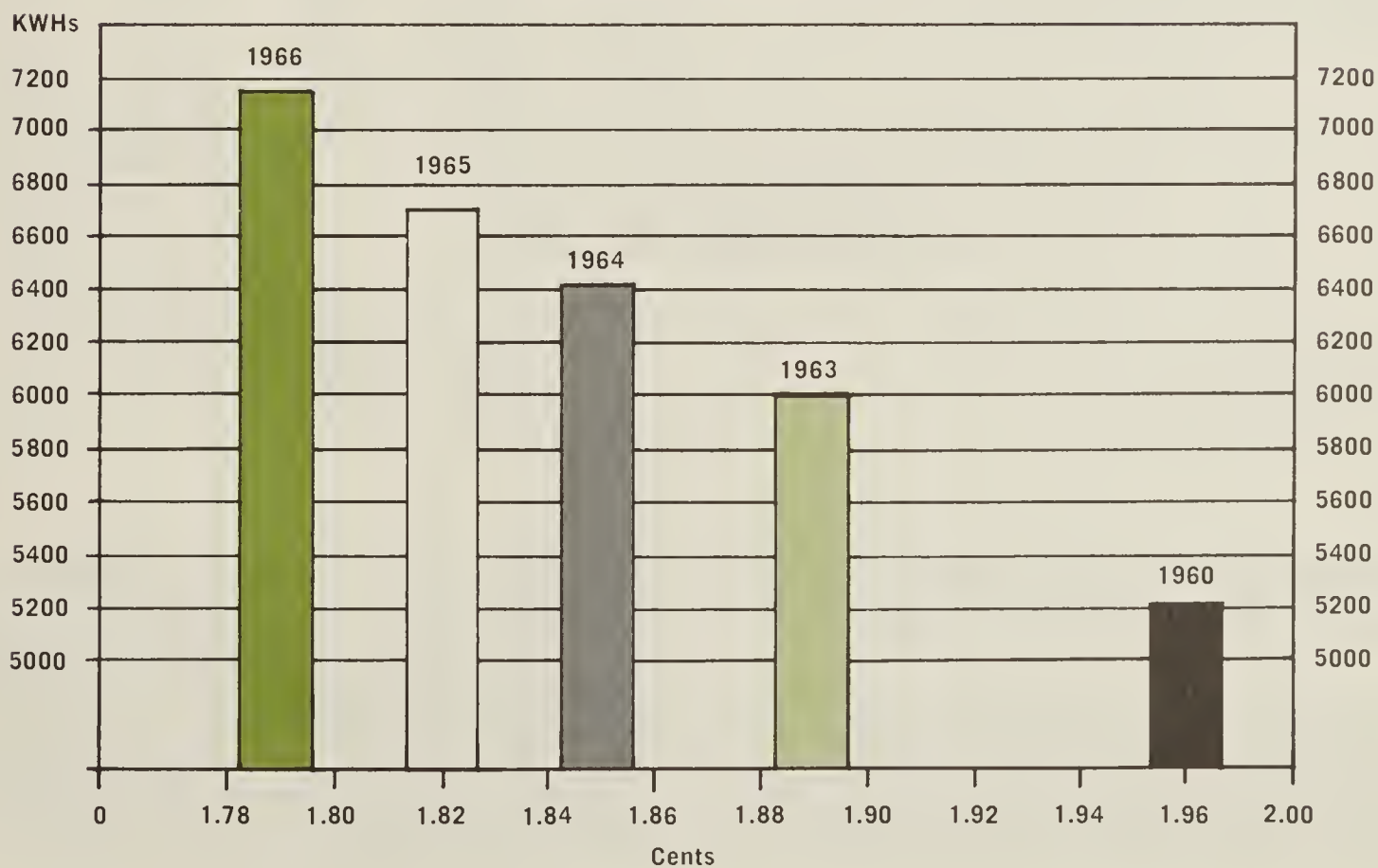


FIGURE NO. 9
RESIDENTIAL ELECTRIC SERVICE—CLASS A COMPANIES
Average Annual Usage and Average Price 1 KWH
(North Carolina Data Only)



Following is a table reflecting the results of this usage study:

AVERAGE ANNUAL RESIDENTIAL CUSTOMER KWH USAGE

(Class A & B Privately Owned Utilities Only)

	1960	1966
N. C.—Statewide Average.....	5,192	7,140
N. C.—Charlotte & Raleigh (a)....	6,039	7,801
S. C.—Columbia (b).....	4,836	6,352
U. S. Average.....	3,464	4,931
N. C. (Charlotte & Raleigh) higher than:		
S. C.—Columbia.....	24.9%	22.8%
U. S. Average.....	74.3%	58.2%

(a) Charlotte—served by Duke Power Company;
Raleigh—served by Carolina Power & Light
Company. (Average of the two used.)

(b) Columbia—served by South Carolina Electric
and Gas Company.

The average monthly usage of electricity (595
kwh) by North Carolina residential customers of

Class A companies, who constitute about 99.2 per
cent of the total of regular electric utility customers
in the state is one of the highest in the nation. It is
generally conceded that there is a direct relation
between the greater residential usage in North
Carolina compared to national usage and the
average charge per kilowatt hour in North Carolina,
which at 1.79 cents is 23.5 per cent less than the
national average of 2.34* cents per residential kilo-
watt hour of usage.

The phenomenal growth of total electric homes in
North Carolina has contributed greatly to the high
average residential kwh usage as indicated above.
The regulated power companies have very success-
fully promoted electric heating and air conditioning
as well as the expansion of other electrical appliances.
The table below reflects the growth by companies of
the total electric homes and the average annual kwh
usage.

*FPC-S186 "Statistics of Electric Utilities in the
United States, 1966 Privately Owned," Table 16,
p. XXXII

TOTAL ELECTRIC HOMES

Class A Companies

1960—1966

N. C. Data Only

	1966	1965	1964	1963	1960
Carolina Power & Light Co.....	17,896	13,014	8,904	5,663	928
Duke Power Company.....	34,260	25,763	19,258	13,979	3,279
Nantahala Power & Light Co.....	NA	NA	NA	NA	NA
Virginia Electric & Power Co.....	1,343	999	698	479	150
Total.....	53,499	39,776	28,860	20,121	4,357
Percent Increase.....	34.5%	37.8%	43.4%	361.8%	

TOTAL ELECTRIC HOMES

Average Annual KWH Usage

	1966	1965	1964	
Carolina Power and Light Co.....	19,801	18,959	18,603	
Duke Power Co.....	20,331	19,171	19,252	
Virginia Electric and Power Co.....	22,250	21,175	21,175	Estimated

ELECTRIC BILLS: COMPARISONS OF RESI- DENTIAL STATE MONTHLY AVERAGES

Comparing average monthly bills as of January 1,
1966, in North Carolina to the nine selected states
of Alabama, California, Florida, Indiana, Maine,
Michigan, Ohio, South Carolina, and Virginia, the
the state ranks 3rd lowest at the 250 Kwh and 3rd

lowest at the 500 and 750 Kwh consumption levels
assumed.

The North Carolina electric utilities have com-
pany-wide rates for the respective residential,
commercial, and industrial classes of customers. A
customer's bill in a particular class of customers for
a particular utility will not vary between the small
communities and the large where the volume of
usage, load characteristics, and cost of serving the
customer are the same.

FIGURE NO. 10

STATE AVERAGE MONTHLY BILLS—RESIDENTIAL SERVICE
(Cities of 2,500 Population and Over) Data as of January 1 of each year listed

State	250 Kwh Assumed Consumption						500 Kwh Assumed Consumption					750 Kwh Assumed Consumption			
	1966	1965	1964	1963	1960	1955	1966	1965	1964	1963	1962	1966	1965	1964	1963
North Carolina.....	\$6.65	\$6.66	\$6.69	\$6.74	\$6.76	\$6.79	\$ 9.51	\$ 9.53	\$ 9.63	\$ 9.63	\$ 9.63	\$12.88	\$12.92	\$13.08	\$13.10
Alabama.....	5.36	5.32	5.37	5.37	5.42	5.52	8.33	8.25	8.33	8.34	8.35	11.01	10.87	11.00	11.01
California.....	6.58	6.62	6.86	6.93	6.85	6.04	9.32	9.39	9.64	9.74	9.74	12.32	12.43	12.72	12.86
Florida.....	7.53	7.67	7.95	7.97	8.03	8.07	11.60	11.78	12.05	12.09	12.22	15.66	15.90	16.17	16.21
Indiana.....	7.55	7.55	7.54	7.56	7.23	7.03	10.33	10.36	10.26	10.27	10.28	14.02	14.09	14.26	14.31
Maine.....	9.03	8.94	8.91	8.99	8.82	8.35	12.45	12.23	12.17	12.31	12.24	16.84	16.53	16.45	17.47
Michigan.....	7.40	7.42	7.42	7.42	7.44	7.32	8.12	8.12	10.74	9.97	9.97	13.68	13.72	14.51	14.52
Ohio.....	7.07	7.22	7.23	7.26	7.12	6.86	10.37	10.63	10.64	10.65	10.61	14.32	14.94	14.96	14.99
South Carolina.....	6.73	6.73	6.75	6.75	6.77	6.76	10.04	10.04	10.12	10.09	10.08	13.39	13.39	13.49	13.47
Virginia.....	7.34	7.34	7.62	7.62	7.65	7.66	10.09	10.11	10.46	10.15	10.19	13.58	13.61	13.97	13.83
United States.....	7.34	7.38	7.43	7.48	7.44	7.18	10.34	10.41	10.61	10.64	10.66	14.19	14.34	14.51	14.65
North Carolina Rank															
Low to High—50 states															
and D. C. Except 1955-48	10th	10th	10th	11th	10th	16th	16th	15th	13th	13th	13th	15th	12th	12th	11th
States.....	Lowest	Lowest	Lowest	Lowest	Lowest	Lowest	Lowest	Lowest	Lowest	Lowest	Lowest	Lowest	Lowest	Lowest	Lowest
N. C. Lower than															
U. S. Average—															
Per cent.....	9.41%	9.76%	9.96%				8.13%	8.45%	9.23%			9.34%	9.90%	9.86%	

Source: "Typical Electric Bills" for applicable years by Federal Power Commission.

FIGURE NO. 11

ELECTRIC GENERATING CAPACITY OWNED AND PURCHASED
WITH GENERATING CAPACITY LOCATED IN NORTH CAROLINA SHOWN
 (Unit of measurement Kilowatt)

	Generating Capacity Owned—Maximum Name Plate Rating Used							
	Steam				Hydroelectric			
	1966	1965	1964	1960	1966	1965	1964	1960
Carolina Power & Light Co.....	2,038,045	1,627,195	1,627,245	1,047,500	219,600	219,600	219,600	226,600
Duke Power Company.....	3,820,000	3,454,000	3,104,000	2,829,000	783,138	768,138	768,138	498,162
Nantahala Power & Light Co.....	—0—	—0—	—0—	—0—	99,460	93,975	99,460	99,460
Virginia Electric & Power Co.....	3,933,430	3,363,190	2,824,150	2,045,140	301,390	306,690	313,695	135,775
Totals.....	9,791,475	8,444,385	7,555,395	5,921,640	1,403,588	1,388,403	1,400,893	959,997
Percent Increase.....	16.0%	11.8%	27.6%		1.1%	(.9%)	45.9%	
Generated in N. C.....	5,467,045	4,499,560	4,149,610	NA	963,018	1,030,280	1,035,428	NA
Percent of Total.....	55.8%	53.3%	54.9%		68.6%	74.2%	73.9%	

	Generating Capacity Purchased*				Total Owned and Purchased			
	1966	1965	1964	1960	1966	1965	1964	1960
Carolina Power & Light Co.....	240,000	229,000	243,200	310,000	2,497,645	2,075,795	2,090,045	1,584,100
Duke Power Company.....	388,335	307,535	—0—	—0—	4,991,473	4,592,673	3,872,138	3,327,162
Nantahala Power & Light Co.....	—0—	—0—	—0—	—0—	99,460	93,975	99,460	99,460
Virginia Electric & Power Co.....	Not Applicable	50,000	126,700	108,800	4,234,820	3,719,880	3,264,545	2,289,715
Totals.....	628,335	586,535	369,900	418,800	11,823,398	10,482,323	9,326,188	7,300,437
Percent Increase.....	7.1%	58.6%	(11.7%)		12.8%	12.4%	27.7%	
Generated in N. C.....	NA	NA	NA	NA	6,430,063	5,529,840	5,185,038	NA
Percent of Total.....					54.4%	52.8%	55.6%	

* Based on annual maximum demand.

NA—Not Available

GENERATING CAPACITY—Total and within North Carolina

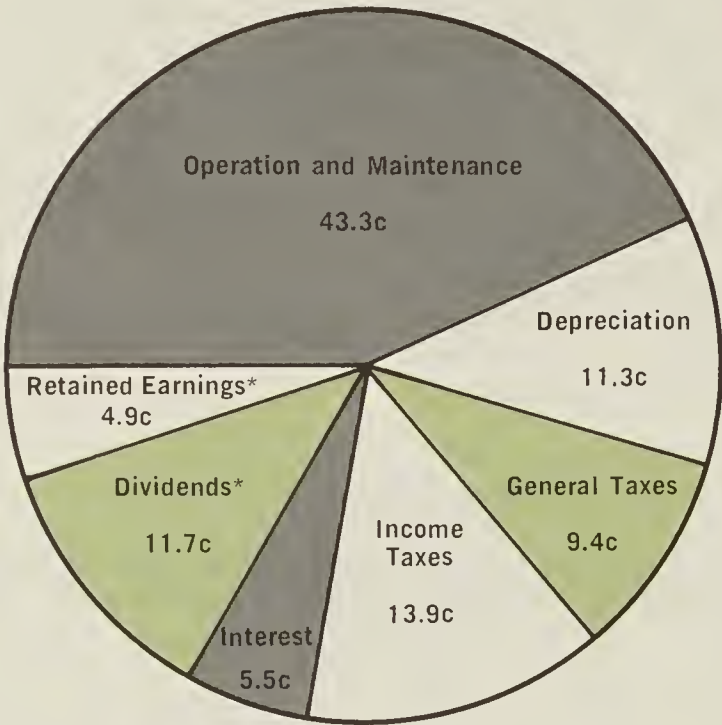
Total owned and purchased generating capacity of the Class A electric companies serving in North

Carolina increased their total generating capacity 1,341,075 kilowatts during 1966 or 12.8% over 1965, with 54.4% of this total generating capacity being located within the boundaries of North Carolina. (See Figure No. 11.)

FIGURE NO. 12

DISPOSITION OF THE REVENUE DOLLAR

ELECTRIC COMPANIES
North Carolina Class A Operations Only
December 31, 1966



Retained Earnings and Dividends per revenue dollar have no relation to the rate of return earned on investment.

FIGURE NO. 13

ELECTRIC COMPANIES—CLASS A
Energy Sales By Classes

(North Carolina Data Only—Kilowatt Hours in Billions)

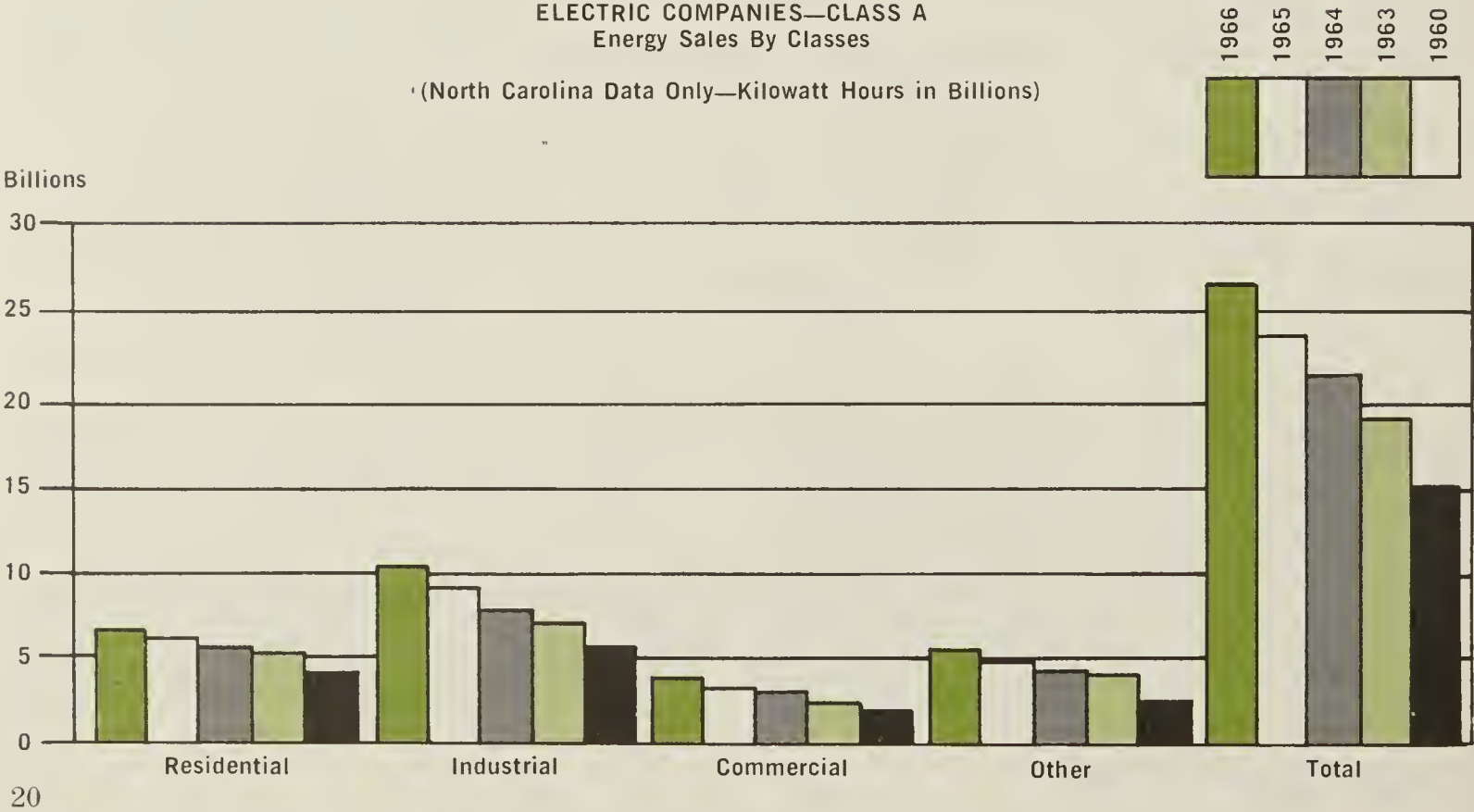


FIGURE NO. 14

ELECTRIC COMPANIES—CLASS A, C, AND D
Summary of Selected Income, Expense, Balance Sheet, and Customer Statistics
For the Calendar Years of 1960, 1963, 1964, 1965, and 1966
(N. C. and Systemwide Data as Indicated)

Item	Class A Companies (\$2,500,000 or More Operating Revenues)					Percent Change More or (Less)		
	1960	1963	1964	1965	1966	1963 to 1964	1964 to 1965	1965 to 1966
No. of Companies Regulated and included in this Data....	4	4	4	4	4			
Income Items (N. C. Only)								
Residential Sales.....	\$83,380,000	\$100,881,000	\$106,710,176	\$112,279,119	\$121,469,120	5.8	5.2	8.2
Commercial Sales.....	37,704,100	48,257,100	53,067,632	57,600,331	61,019,750	10.0	8.5	5.9
Industrial Sales.....	48,897,200	59,915,200	65,465,847	71,737,144	83,215,249	9.3	9.6	16.0
Sales for Resale.....	20,791,800	28,884,500	31,141,904	31,332,127	35,457,911	7.8	.6	13.2
All Other Operating Revenue.....	6,867,000	8,252,400	9,087,476	12,408,894	12,752,754	10.1	36.5	2.8
Total Operating Revenue.....	\$197,640,100	\$246,190,200	\$265,473,035	\$285,357,615	\$313,914,784	7.8	7.5	10.0
Expense Items (N. C. Only)								
Operating and Maintenance.....	\$82,502,120	\$100,700,170	\$106,844,644	\$119,868,845	\$135,874,326	6.1	12.2	13.4
Depreciation & Amortization.....	22,972,500	28,988,000	30,672,923	32,309,662	35,427,759	5.8	5.3	9.7
Taxes:								
State Income Taxes.....	3,052,100	3,897,907	4,643,170	4,997,401	5,220,300	19.1	7.6	4.5
State Gross Receipts Taxes.....	11,592,062	14,429,368	15,551,009	16,588,775	18,328,571	7.8	6.7	10.5
Local Property Taxes.....	5,740,423	7,331,648	8,191,796	8,494,964	9,181,745	13.3	3.7	8.1
All Other Taxes.....	28,148,007	34,640,760	37,312,795	38,730,915	40,316,123	7.7	3.8	4.1
Total Taxes.....	48,532,592	60,299,683	65,698,770	68,812,055	73,046,739	9.1	4.7	6.2
Total Operating Expenses.....	156,810,312	193,791,753	207,220,173	220,990,562	244,348,824	6.9	6.6	10.6
Net Operating Revenue.....	40,829,788	52,398,447	58,252,862	64,367,053	69,565,960	11.2	10.5	8.1
Income Items (Systemwide)								
Operating Revenue.....	\$397,459,162	\$492,817,038	\$529,788,604	\$571,081,788	\$629,905,628	7.5	7.8	10.3
Operating Expense.....	309,887,923	375,237,451	405,429,319	432,958,165	477,400,585	8.0	6.8	10.3
Net Operating Revenue.....	\$87,571,239	\$117,579,587	\$124,359,285	\$138,123,623	\$152,505,043	11.1	10.4	10.1
Net Income (From All Sources).....	70,066,182	90,380,911	100,752,706	112,295,240	118,729,553	11.5	11.5	5.7
Shares of Common Stock								
Outstanding—Year End (a).....	55,246,000	56,450,258	57,637,179	57,731,892	58,097,462	2.1	.2	.6
Average Earnings Per Share—								
Shares at Year End (After Preferred Stock Dividend).....	\$1.17	\$1.47	\$1.62	\$1.67	\$1.91	10.2	3.0	14.4
Balance Sheet Items (N. C. Only)								
Utility Plant (Electric Portion Only).....	\$912,183,300	\$1,136,977,000	\$1,197,844,033	\$1,325,690,092	\$1,427,176,273	5.4	10.7	7.7
Depreciation Reserve.....	231,139,700	303,632,200	324,297,216	352,625,813	380,545,805	6.8	8.7	7.9
Net Utility Plant (Original Cost).....	\$681,043,600	\$833,344,800	\$873,546,817	\$973,064,279	\$1,046,630,468	4.8	11.4	7.6
Balance Sheet Items (Systemwide)								
Long-term debt.....	\$737,334,000	\$898,602,000	\$926,402,000	\$1,023,461,000	\$1,100,430,000	3.1	10.5	7.5
Total Capitalization.....	1,476,165,839	1,780,367,530	1,897,204,526	2,005,861,562	2,187,749,923	6.6	5.7	9.1
Long-term Debt—Percent of Total Capitalization.....	49.9	50.5	52.0	51.0	50.3	3.0	(1.9)	(1.4)
Statistics—N. C. Unless Otherwise Noted								
Total Customers—Yearly Average.....	938,705	1,007,532	1,035,063	1,065,650	1,099,321	2.7	3.0	3.2
Average No. of Kilowatts used per Residential Customer.....	5,204	6,088	6,411	6,697	7,140	5.3	4.5	6.6
Average Revenue per Kwh— Residential Customer.....	1.96¢	1.89¢	1.85¢	1.82¢	1.79¢	(2.1)	(1.6)	(1.6)
Number of Employees Residing in N. C.	7,454	7,623	7,462	7,875	7,767	(2.1)	5.5	(1.4)
Wages and Salaries Paid N. C. Employees.....	\$39,146,298	\$44,022,605	\$46,296,384	\$49,359,456	\$51,575,314	5.2	6.6	4.5
System Sales to Ultimate Consumers (Kwh in 000's)....	24,601,101	31,403,843	34,716,528	38,542,626	43,081,060	10.5	11.0	11.8
System Sales for Resale (Kwh in 000's).....	3,382,966	4,730,996	5,005,460	5,608,578	6,799,474	5.8	12.0	21.2
Total Sales to Ultimate Consumers and for Resale (Kwh in 000's).....	27,984,067	36,134,839	39,721,988	44,151,204	49,880,534	9.9	11.2	13.0

(a) Restated to reflect the following stock splits: CP & L—2 for 1 in 1964
Duke—2 for 1 in 1964
VEPCO—3 for 2 in 1963

(b) Number of Total Customers—Year End.

FIGURE 14 (Continued)

ELECTRIC COMPANIES—CLASS A, C, AND D
Summary of Selected Income, Expense, Balance Sheet, and Customer Statistics
For the Calendar Years of 1960, 1963, 1964, 1965, and 1966
(N. C. and Systemwide Data as Indicated)

Item	Class C and D Companies (Companies with Operating Revenues Under \$1,000,000)					Percent Change More or (Less)		
	1960	1963	1964	1965	1966	1963 to 1964	1964 to 1965	1965 to 1966
No. of Companies Regulated and included in this Data....	11	10	9	9	9			
Income Items (N. C. Only)								
Total Operating Revenue.....	\$905,429	\$1,054,988	\$1,113,179	\$1,197,290	\$1,256,447	5.5	7.6	4.9
Expense Items (N. C. Only)								
Total Operating Expenses.....	\$760,162	\$894,703	\$958,519	\$1,013,819	\$1,073,653	7.1	5.8	5.9
Net Operating Revenue.....	145,267	160,285	154,660	183,471	182,794	(3.5)	18.6	(.4)
Balance Sheet Items (N. C. Only)								
Utility Plant (Electric Portion Only).....	\$1,745,933	\$2,024,991	\$2,112,647	\$2,319,816	\$2,444,126	4.3	9.8	5.4
Depreciation Reserve.....	580,856	733,630	897,418	1,036,717	1,087,982	22.3	15.5	4.9
Net Utility Plant (Original Cost).....	\$1,165,077	\$1,291,361	\$1,215,229	\$1,283,099	\$1,356,144	(5.9)	5.6	5.7
Statistics—N. C. Unless Otherwise Noted								
Total Customers—Yearly Average.....	7,207(b)	7,725(b)	7,840(b)	8,134(b)	8,286(b)	1.5	3.8	1.9
Average Revenue per Kwh—Residential Customer.....	2.74¢	2.63¢	2.54¢	2.48¢	2.45¢	(3.4)	(2.4)	(1.2)
System Sales to Ultimate Consumers (Kwh in 000's)....	33,167	39,284	42,894	47,237	50,202	9.2	(1.5)	6.3

STATISTICAL SUMMARY DATA

As may be seen from Figure No. 14 for the North Carolina operations the total operating revenues for the Class A electric utilities was up 10.0 per cent from 1965. Total operating revenues for Class C & D (companies with operating revenues under \$1,000,000) were up 4.9 per cent from 1965. Operating expenses increased at a higher rate for all companies in 1966 than did revenues. Net operating income increased 8.1 per cent for the Class A companies and decreased .4 per cent for the Class C & D companies. Average earnings per share (adjusted for stock splits authorized by the Commission) for the Class A companies increased from \$1.67 in 1965 to \$1.91 for an increase of 14.4 per cent.

Total salaries and wages paid North Carolina employees by the Class A companies increased about 4.5 per cent to \$51,575,314. Number of employees residing in North Carolina decreased by 108.

The disposition of the 1966 electric revenue dollars as shown on the pie chart Figure No. 12 is very similar to the 1965 data. As in 1965, operation and maintenance expenses accounted for over 43 per cent of the total revenue dollar. The total disposition of the revenue dollar for the years 1964, 1965 and 1966 is shown below.

	Percents		
	1966	1965	1964
Operation and Maintenance	43.3	41.9	42.4
Depreciation	11.3	11.3	11.4
General Taxes	9.4	9.2	9.2
Income Taxes	13.9	14.4	15.1
Interest	5.5	5.3	5.1
Dividends	11.7	11.5	11.0
Retained Earnings	4.9	6.4	5.8
Total	100.0	100.0	100.0

Total Energy sales in North Carolina by Class A companies in 1966 increased over 1965 by 12.4 per cent to a total of 26 billion kilowatt hours. (See Figure No. 13.) The per cent of energy sales by classes of customers for the years 1960, 1965 and 1966 were as follows:

	MILLIONS OF KILOWATT HOURS					
	1966		1965		1960	
	Amount	%	Amount	%	Amount	%
Residential	6,786	25.5	6,178	26.1	4,249	28.1
Industrial	10,208	38.4	8,909	37.6	5,868	38.8
Commercial	3,947	14.8	3,658	15.4	2,050	13.6
Other	5,665	21.3	4,933	20.9	2,960	19.5
Total	26,606	100.0	23,677	100.0	15,127	100.0
Percent Increase	12.4%		56.5%			



III. The Natural Gas Industry

**Gas Companies and Municipal Gas Systems
Operating in the State of North Carolina**

Officers as of 12/31/67

GAS COMPANIES**Carolina Natural Gas Corporation**

J. D. Barnes, President
P. O. Box 836
Hickory, North Carolina

North Carolina Natural Gas Corp.

Frank A. Barragan, President
P. O. Box 112
Fayetteville, North Carolina

**North Carolina Gas Service, Division of
Pennsylvania & Southern Gas Co.**

J. E. Connolly, Vice President
P. O. Box 779
Reidsville, North Carolina

Piedmont Natural Gas Company, Inc.

Buell G. Duncan, President
523 South Tryon Street
P. O. Box 1968
Charlotte, North Carolina

Public Service Company of N. C., Inc.

B. E. Zeigler, President
P. O. Box 98
Gastonia, North Carolina

**United Cities Gas Company,
North Carolina Division**

C. B. Dushane, President
United Cities Gas Company
Box 8886
Nashville, Tennessee 37211

Don Howard, Manager
United Cities Gas Company
Box 2000
Hendersonville, North Carolina

MUNICIPAL GAS SYSTEMS**Greenville, City of**

Lenonard P. Bloxam
Director of Public Utilities
Greenville, North Carolina

Kings Mountain, City of

John H. Moss, Mayor
Kings Mountain, North Carolina

Lexington, City of

W. M. Beck
Director of Public Utilities
Lexington, North Carolina

Monroe, City of

J. E. Hinkel,
City Manager
Monroe, North Carolina

Shelby, City of

Dr. Hubert S. Plaster, Mayor
Shelby, North Carolina

Wilson, City of

Jack Maynard,
City Manager
Wilson, North Carolina

Rocky Mount, City of

William H. Batchelor,
City Manager
Rocky Mount, North Carolina

Bessemer City

Robert F. Coble, Mayor
Bessemer City, North Carolina

THE NATURAL GAS INDUSTRY

At the end of 1966, seven (7) natural gas utilities were under Commission regulation. Five of these were Class A and B companies with annual gross operating revenues in excess of \$1 million. Two were Class C and D companies with less than \$1 million in annual gross revenues. The North Carolina companies are transmission and distribution companies, purchasing their gas for resale from Transcontinental Gas Pipe Line Corporation, the only interstate gas pipeline operating within the state. Transcontinental Gas Pipe Line Corporation purchases natural gas from producers in Texas and Louisiana and transports it to North Carolina where it is resold to the distributing companies at rates prescribed by the Federal Power Commission on the basis of three zones of distance from the point of production. North Carolina is in Zone 2, which is bounded by the Georgia-South Carolina State Line on the south and the Virginia-Maryland State Line on the north. Transcontinental Gas pipe

Line Corporation's rate to North Carolina distributing companies at December 31, 1966 was 10.29 cents per mcf* of contract demand plus 22.70 cents per mcf for commodity use charge. The distributing companies contract for a fixed amount (called contract demand) of gas to meet their customers requirements on a daily basis from the interstate pipeline company. The distributing companies must pay the contract demand portion of the bill for this gas whether or not they can resell it. Since the principal retail market for natural gas is for heat energy, distributors are required to sell large volumes of interruptible gas to industry, particularly in the summer months. Interruptible gas is gas which the distributor contracted for with the pipeline company but which is not needed or demanded by its firm customers on a particular day. Interruptible customers purchase natural gas from the distributing companies with the understanding that they may have their supply interrupted or curtailed at times when the distributing company needs the gas for its firm customers. For this reason, interruptible gas is sold at a much lower price than firm gas.

*thousand cubic feet.

In the past, the Utilities Commission has participated in several rate proceedings before the Federal Power Commission and has been instrumental in establishing zone rates and rate reductions and refunds for distributing companies in North Carolina. These rate reductions have been reflected in North Carolina distribution rates, and refunds have been passed on to North Carolina natural gas customers in many instances. During 1966 these refunds amounted to \$942,877, see page 9 Customer Effects for customers affected.

Only three of the distributing companies in North Carolina have operations in other states: North Carolina Gas Service, a division of Pennsylvania and Southern Gas Company; United Cities Gas Company; and Piedmont Natural Gas Company, Inc.

CUSTOMER GROWTH

The annual average number of natural gas utility customers increased by 6.5 per cent in 1966, reaching a total of 197,370. Residential customers increased 8.1 per cent, or by 11,756. The per cent of residential space heating customers to total residential customers increased from 73.5 in 1965 to 78.0 per cent in 1966. The natural gas industry is young and comparatively small in North Carolina having been

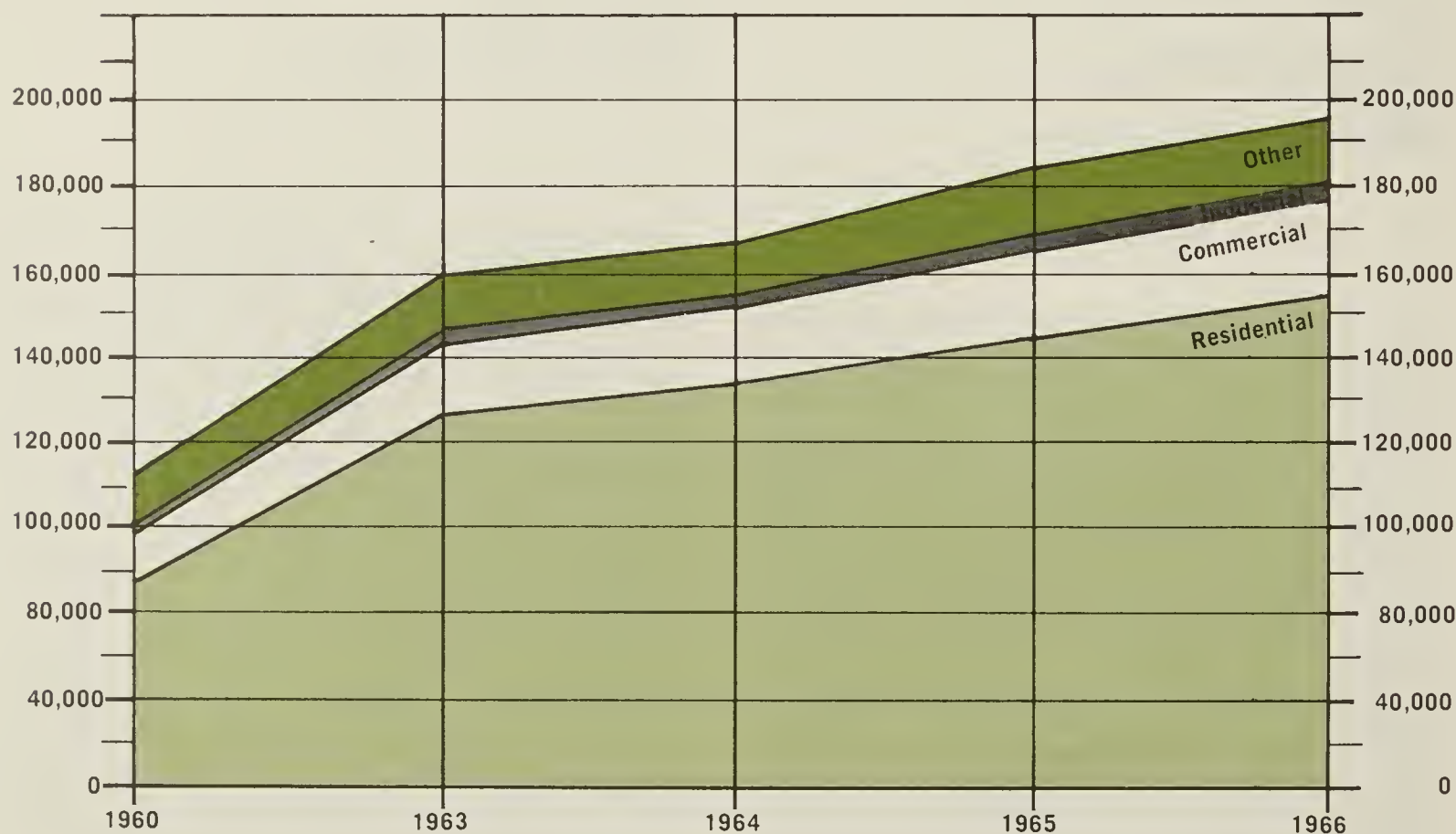
introduced during the 1950-1958 period. This accounts in part for the large per cent customer growth reflected by them. The natural gas utilities are now heavily engaged in attempting to fully serve the franchised built-up areas.

There are over 160 cities and towns served by the natural gas utilities which have a combined population in excess of 1,639,974, based on 1960 census. Two areas of the state, northeastern North Carolina and northwestern North Carolina, do not have the benefit of natural gas service. These areas have not been served due primarily to their somewhat slower rate of industrial development and their general topography. Various state agencies are cooperating with the Commission to help accelerate the availability and need for natural gas in these areas.

introduced during the 1950-1958 period. This accounts in part for the large per cent customer growth reflected by them. The natural gas utilities are now heavily engaged in attempting to fully serve the franchised built-up areas.

Figure No. 16 shows the customer growth for the year 1960 through 1966 by major customer classification. The exact number of customers by service classification as reflected in Figure No. 16 with the industrial group divided between firm and interruptible are as follows:

FIGURE NO. 16
GAS COMPANIES - CUSTOMER GROWTH BY CLASSES
(North Carolina Data Only)



Classification	Customer (Annual Average)				Percent of Increase (Decrease) 1966 over 1965
	1966	1965	1964	1963	
Residential.....	156,836	145,080	134,097	125,435	8.1
Commercial.....	22,363	20,613	18,903	17,470	8.5
Industrial—Firm.....	1300	1,264	1,205	1,069	2.8
Industrial—Interruptible.....	684	596	597	592	14.8
Other Classes.....	16,187	17,834	13,276	13,387	(9.2)
Total.....	197,370	185,387	168,078	157,953	6.5

Figure 17 shows the total customer growth by regulated companies and municipal gas systems with total revenues and total volume of gas sold in mcf's* for the years 1963 through 1966.

The regulated gas utilities had an increase in customers of 6.5 per cent, and the municipals in-

*thousand cubic feet.

creased their customers 7.3 per cent. At the same time the municipals total revenue from the sale of gas increased 10.4 per cent while the regulated gas companies increased 14.2 per cent. The per cent increase in number of mcf's of gas sold was very similar, the regulated companies having an increase of 10.8 per cent vs. a 9.4 per cent increase by the municipals.

Residential Bills Usages and Cost per Mcf; Comparisons.

Rates for natural gas and its usage vary widely among companies and regions, rendering it extremely difficult to make meaningful comparisons. Some of the reasons for these variations are: (a) Price: distance from source of supply, date pipelines were constructed and investment cost to be recovered and capitalization to be serviced, historic rate structures of different companies, and ability of the distribution company to obtain a high system load factor* and thereby earn a lower rate on its purchased gas; (b) Usage: the percentage relationship of space-heating customers to total customers among companies and regions, weather conditions between companies and regions (a variation in temperature of a few degrees per day between areas can greatly affect the number of degree days), and the competitive relationship of natural gas to other energy sources such as fuel oil, electricity, and coal; (c)

Saturation of customers; i.e., the number of customers per mile of gas mains.

Some average annual usages and (mcf)** cost data for the North Carolina natural gas companies and eight (8) natural gas companies located in various sections of the USA are shown on Figure No. 19. This data shows that North Carolina customers are somewhere in the middle range of the national average both as to annual usage and cost per mcf. Both statewide and on a national basis the data on Figure No. 19 shows that as usage increases cost per mcf decreases.

*Load factor is the ratio of actual use of a facility over a period of time to the use of which the facility was capable for the same period.

** An mcf represents about 1,050,000 BTU in heating capacity as compared to 3,413 for a kilowatt hour, or 13,000 BTU one pound of coal, or 140,000 BTU for one gallon of #2 fuel oil.

Plant Investment

The regulated natural gas utilities increased their investment in plant for North Carolina by \$12,155,733 in 1966, bringing their combined total gross investment for the state to \$150,453,181. This

represents an increase of 8.8 per cent over 1965 and slightly exceeds the 6.5 per cent customer growth for the same period.

The gross investment by natural gas utilities for North Carolina and the per cent increase for individual companies is as follows:

Gross Plant Investments—Year End Data

	1963	1964	1965	1966	1966 over 1965	
					Amount	Percent
Carolina Natural Gas Corp.....\$	4,861,600	\$ 5,275,691	\$ 5,765,701	\$ 6,300,270	\$ 534,569	9.3
N. C. Natural Gas Corp.....	29,325,000	30,237,279	31,136,309	32,272,781	1,136,472	3.6
Pennsylvania & Southern Gas Co.....	2,338,000	2,505,076	2,730,579	3,059,247	328,668	12.0
Piedmont Natural Gas Company, Inc.....	40,312,522	44,480,437	49,855,575	53,580,129	3,724,554	7.5
Public Service Co. of N. C., Inc..	37,293,000	42,591,440	48,008,948	54,382,213	6,373,265	13.3
Mount Airy Gas Company.....	94,663	94,663	94,663	94,663	-0-	-0-
United Cities Gas Company....	672,197	694,052	705,673	763,878	58,205	8.2
Total.....	\$114,896,982	\$125,878,638	\$138,297,448	\$150,453,181	\$12,155,733	8.8

FIGURE NO. 17

REGULATED AND MUNICIPAL GAS SYSTEMS
Number of Customers, Total Revenue From Sales of Gas and Total MCF Sold
For the Years 1966, 1965, 1964, and 1963¹

Regulated Utilities	Number of Customers Yearly Average ^{2, 5} N. C. Data Only			Total Revenue From Sales of Gas (N. C. Data Only)			1966 over 1965 Increase (Decrease)
	1966	1965	1964	1966	1965	1964	1963
Class A & B							
Carolina Natural Gas Corp.-----	7,386	6,646	5,960	\$3,145,796	\$2,738,333	\$2,559,616	\$2,221,300
North Carolina Natural Gas Corp. ⁴ -----	30,373 ³	32,653 ³	31,624 ³	11,759,673	10,599,099	11,268,030	10,285,000
North Carolina Gas Service, Division of Pennsylvania & Southern Gas Company-----	5,497 ⁶	4,943	4,175	1,398,034	1,221,997	1,184,065	1,134,000
Piedmont Natural Gas Co., Inc.-----	85,376	80,372	75,496	22,428,423	19,455,434	18,090,062	17,064,000
Public Service Co. of N. C., Inc.-----	67,277	59,472	49,501	20,409,605	17,738,604	16,481,891	14,458,000
Totals—Class A & B-----	195,909	184,086	166,756	\$59,141,531	\$51,753,467	\$49,583,664	\$45,162,300
Class C & D							
Mount Airy Gas Company-----	36	36	28	\$ 8,528	\$ 9,091	\$ 3,483	\$ 2,439
United Cities Gas Company-----	1,425	1,265	1,294	386,773	349,663	351,059	323,839
Totals—Class C & D-----	1,461	1,301	1,322	\$ 395,301	\$ 358,754	\$ 354,542	\$ 326,278
Grand Totals—Regulated Utilities-----	197,370	185,387	168,078	\$59,536,832	\$52,112,221	\$49,938,206	\$45,488,578
Municipals							
Bessemer, City of-----	331	303	262	\$ 118,430	\$ 92,636	\$ 76,921	\$ 52,086
Greenville, City of-----	3,967	3,913	3,872	410,237	364,414	340,247	328,296
Kings Mountain, City of-----	1,186	1,000	879	508,253	426,713	298,201	228,627
Lexington, City of-----	3,779	3,576	3,450	802,524	717,803	719,883	675,452
Monroe, City of-----	1,183	1,030	991	439,828	330,682	255,567	232,309
Rocky Mount, City of-----	4,041	3,464	3,523	916,553	921,803	876,831	792,239
Shelby, City of-----	2,707	2,656	2,522	1,352,331	1,239,564	1,154,288	1,095,770
Wilson, City of-----	3,707	3,540	3,323	602,732	571,967	643,553	605,453
Totals—Municipals-----	20,901	19,482	18,822	\$ 5,150,888	\$ 4,665,582	\$ 4,365,491	\$ 4,010,232
Grand Total—All Gas Systems-----	218,271	204,869	186,900	\$64,687,720	\$56,777,803	\$54,303,697	\$49,498,810
							13.9

¹ Regulated Utilities—Year ends Dec. 31st. Municipal Systems—Year Ends June 30th.

² Public Housing Units Counted as Customers.

³ Includes Tobacco Curing Customers Estimated as Follows: 1966---1004; 1965---777; 1964---777; 1963---640.

⁴ Includes Data for Tidewater Natural Gas Co. which Merged with N. C. Natural Gas Corp.

⁵ Municipal Gas Customers Data—Year End.

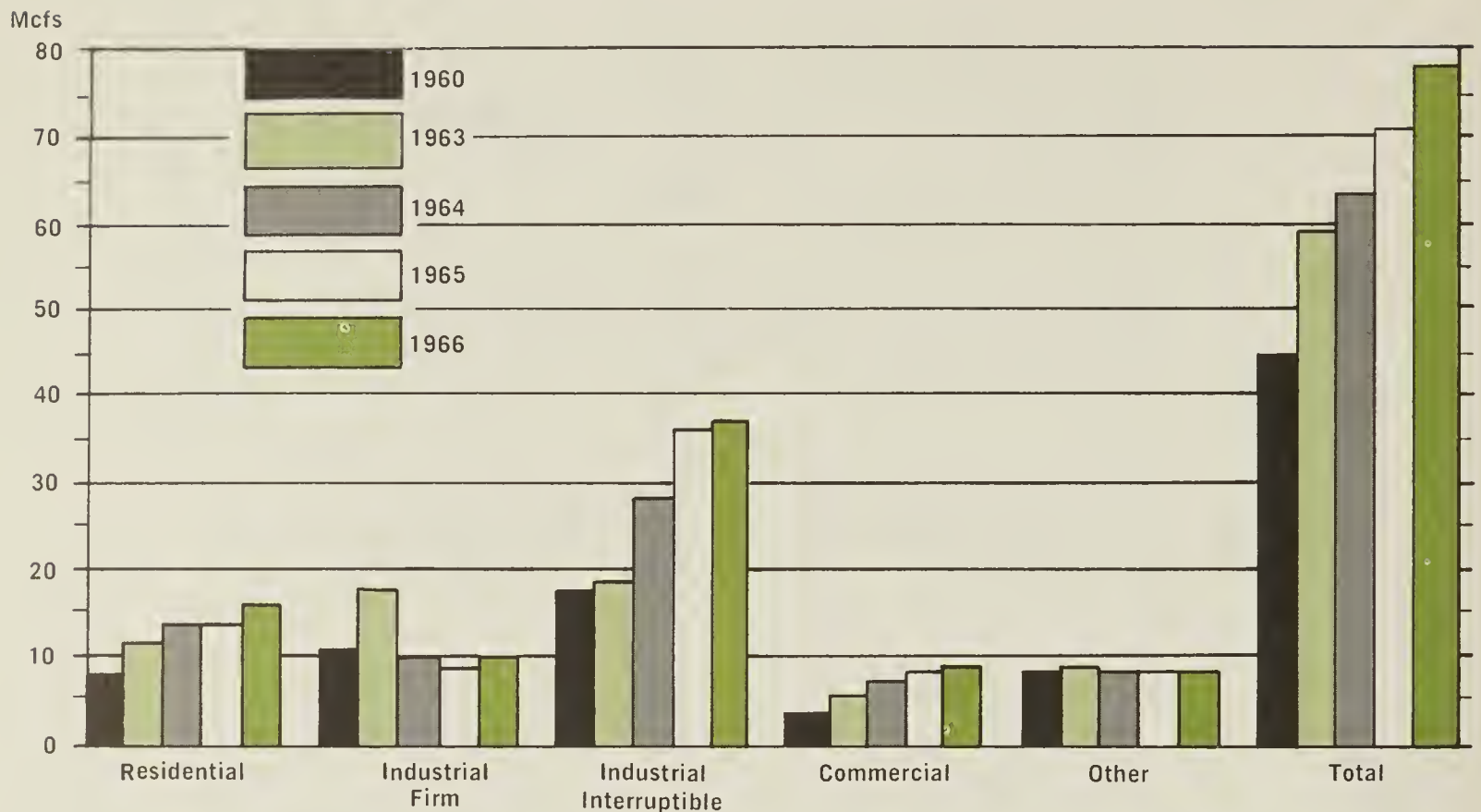
⁶ Includes Tobacco Curing Customers 1966---182.

REGULATED AND MUNICIPAL GAS SYSTEMS
Number of Customers, Total Revenue From Sales of Gas and Total MCF Sold
For the Years 1966, 1965, 1964, and 1963¹

Regulated Utilities	MCF Gas Sold (N. C. Data Only)				1966 over 1965 Increase (Decrease)
	1966	1965	1964	1963	
Class A & B					
Carolina Natural Gas Corp.....	4,321,606	3,815,448	3,462,179	2,943,443	13.3
North Carolina Natural Gas Corp. ⁴	17,779,221	17,039,399	17,020,225	16,316,603	4.3
North Carolina Gas Service, Division of Pennsylvania & Southern Gas Company.....	1,961,379	1,716,552	1,615,045	1,553,304	14.3
Piedmont Natural Gas Co., Inc.....	27,642,668	24,338,353	20,706,709	19,687,017	13.6
Public Service Co. of N. C., Inc.....	26,006,908	23,234,454	21,195,692	18,368,678	11.9
Totals—Class A & B.....	77,711,782	70,144,206	63,999,850	58,869,045	10.8
Class C & D					
Mount Airy Gas Company.....	1,390	1,496	515	359	(7.1)
United Cities Gas Company.....	440,590	393,304	371,208	331,980	12.0
Totals—Class C & D.....	441,980	394,800	371,723	332,339	12.0
Grand Totals—Regulated Utilities.....	78,153,762	70,539,006	64,371,573	59,201,384	10.8
Municipals					
Bessemer, City of.....	170,343	134,686	101,217	60,613	26.5
Greenville, City of.....	356,262	320,252	285,162	275,206	11.2
Kings Mountain, City of.....	756,052	642,018	389,855	263,024	17.8
Lexington, City of.....	1,010,637	919,241	913,982	845,445	9.9
Monroe, City of.....	480,462	367,352	266,713	136,971	30.8
Rocky Mount, City of.....	1,184,764	1,307,762	1,305,707	1,177,080	(9.4)
Shelby, City of.....	2,985,235	2,575,650	2,236,048	2,089,995	15.9
Wilson, City of.....	508,327	544,746	770,553	755,667	(6.7)
Totals—Municipals.....	7,452,082	6,811,707	6,269,237	5,604,001	9.4
Grand Total—All Gas Systems.....	85,605,844	77,350,713	70,640,810	64,805,385	10.7

FIGURE NO. 18

GAS COMPANIES ENERGY SALES BY CLASSES TO ULIMATE CONSUMERS
(Millions of Mcf—North Carolina Data Only)



Energy sales by classes of customers as shown on Figure 18 indicates that the industrial interruptible group of customers used the most gas even though they constitute the smallest group of customers.

Industrial Sales Volume

Natural gas continues as one of the prime energy sources for the new and rapid industrial expansion in North Carolina. Industrial sales during 1966 increased by 3,566,942 mcf to 47,311,381 mcf for 8.2 per cent increase over the previous year.

The industrial customer's average unit cost was 51.33 cents in 1966. The importance of natural gas service to the industrial consumers is illustrated by the fact that 61 per cent of all natural gas sold in North Carolina went to industrial consumers. It is of further significance that one company, Public Service Company of North Carolina, made 37.6 per cent of all sales to industrial users. See Figure 20 for summary of natural gas industrial usage, revenues and customers.

Statistical Summary Data

Gross operating revenues for the regulated natural gas companies in North Carolina increased 13.9 per

cent in 1966 over 1965 to a total of \$59,735,713. This increase of over \$7,298,159 was almost 3 times greater than the 4.7 per cent increase of 1965 over 1964. Total operating expenses increased by 13.0 per cent. Net operating revenues were up by 19.1 per cent for a combined total of \$9,281,811. The gas companies earned their interest charges after taxes an average 2.4 times. Composite per share earnings after preferred dividends on common shares outstanding at year end increased from 75¢ to \$1.15 in 1966 over 1965.

Total salaries and wages paid employees during 1966 amounted to \$8,579,917 for an increase of 10.6 per cent over 1965. Full time employees increased by 149 or 10.7 per cent during this same period.

The disposition of the gas companies' 1966 revenue dollar is shown in Figure No. 21. The two significant changes from 1965 are: (1) Cost of gas down from 49.4¢ to 47.6¢ and retained earnings up from 3.0¢ to 4.3¢.

See Figure No. 22 for additional financial and statistical data of the regulated natural gas industry.

FIGURE NO. 19
RESIDENTIAL NATURAL GAS CUSTOMER AVERAGE ANNUAL USAGE AND COST DATA (MCF)
North Carolina and Selected Gas Companies Outside North Carolina
For the Years 1964, 1965, and 1966

Company	Major Service Area	1966			1965			1964		
		Rate Per Mcf	Use Mcf	Total Cost	Rate Per Mcf	Use Mcf	Total Cost	Rate Per Mcf	Use Mcf	Total Cost
N. C. Gas Companies (N. C. Data Only)										
Carolina Natural Gas Corp.	Hickory, Lincolnton, Newton & other towns served Natural Gas. Caldwell, McDowell, Burke, Catawba and Lincoln Counties served bottled gas.	\$1.36	90	\$122.26	\$1.42	79	\$112.36	1.55¢	79	\$122.07
N. C. Natural Gas Co.	South Central and Eastern N. C.	1.64	80	130.57	1.72	72	123.18	1.74	70	122.07
Piedmont Natural Gas Co., Inc.	Charlotte, Winston-Salem, Greensboro, High Point and 11 other towns in N. C.	1.28	121	142.28	1.34	99	132.56	1.39	102	141.76
Public Service Co. of N. C., Inc.	Raleigh, Durham, Asheville, Gastonia, and 14 other Communities in N. C.	1.42	99	145.87	1.45	94	136.28	1.50	96	144.46
Pennsylvania and Southern Gas Co.	Reidsville, Leaksville, Spray, Draper, Madison and Mayodan in N. C.	1.05	133	139.25	1.08	121	131.25	1.15	135	155.30
United Cities Gas Co.	In N. C. Only. Hendersonville	1.65	77	126.97	1.72	68	117.05	1.75	73	128.17
Weighted Average		1.36	103	140.85	1.41	93	131.44	1.46	95	139.01
Gas Companies Outside N. C.										
(Systemwide Data) ^A										
Alabama Gas Company	Central Alabama (includes Birmingham and Montgomery districts)	1.13	100	113.00	1.13	100	113.00	1.16	102	118.32
Arkansas Western Gas Co.	Northwest Arkansas	.74	125	92.50	.73	131	95.63	.70	126	88.20
Central Indiana Gas Co.	Muncie, Marion, Anderson, Elwood and 23 other towns in Indiana	.88	167	146.96	.89	165	146.85	.90	159	143.10
Fall River Gas Co.	Fall River, Somerset, Swansea and West, Mass.	1.85	79	166.15	1.87	76	142.12	1.89	74	139.86
Haverhill Gas Co.	Haverhill, Merrimac, Groveland, Amesbury and 12 other Communities in Mass.	1.79	86	153.94	1.81	83	150.23	1.83	78	142.74
Mississippi Valley Gas Co.	Northern half of the State of Mississippi	.85	89	85.65	.84	102	85.68	.84	98	82.32
Washington Natural Gas Co.	Seattle, Tacoma, Olympia, Everett and 41 other communities in Washington State	1.31	112	146.72	1.35	115	155.25	1.38	101	139.38
West Ohio Gas Co.	Lima, Delphos, Columbus, Grove, Ottawa and 18 other towns in Ohio	1.06	157	166.42	1.05	160	168.00	1.05	153	160.65
National Average ^B		1.00	119	\$119.00	1.00	117	\$117.00	1.00	115	\$115.00

^A April, 1965, 1966, 1967 "Monthly Comparison of Gas Utility Common Stocks" by Bear Stearns & Co., Member of New York Stock Exchange, One Wall St., New York 5, N. Y.

^B "Gas Facts, 1967" pp 94, 112 and Tables 83 and 103.

FIGURE NO. 20

SUMMARY OF NATURAL GAS INDUSTRIAL USAGE, REVENUES & CUSTOMERS
N. C. Data Only—Calendar Years 1963, 1964, 1965, 1966

	Sales Mcf			
	1963	1964	1965	1966
Total Sales.....	59,201,384	64,371,573	70,539,006	78,153,762
Industrial Sales Interruptible.....	17,463,047	28,914,896	35,474,199	37,398,388
Industrial Sales Firm.....	17,082,227	9,633,725	8,270,240	9,912,993
Total.....	34,545,274	38,548,621	43,744,439	47,311,381
Percent of Total Volume.....	58.35%	59.88%	62.01%	60.54%
Average Rate in Cents/mcf.....	49.18	52.02	50.33	51.33

	Revenue			
	1963	1964	1965	1966
Total Revenue.....	\$45,730,803	\$50,095,403	\$52,437,554	\$59,735,713
Industrial Interruptible.....	7,252,027	12,704,326	16,078,054	17,249,437
Industrial Firm.....	9,735,644	7,347,159	5,936,747	7,035,097
Total.....	\$16,987,671	\$20,051,485	\$22,014,801	\$24,284,534
Percent of Total Revenue.....	37.15%	40.03%	41.98%	40.65%

	Customers (Annual Average)			
	1963	1964	1965	1966
Total Customers.....	157,953	168,078	185,387	197,370
Industrial Interruptible.....	592	597	596	684
Industrial Firm.....	1,069	1,205	1,264	1,300
Total Industrial Customers.....	1,661	1,802	1,860	1,984
Percent of Total Customers.....	1.1%	1.1%	1.0%	1.0%

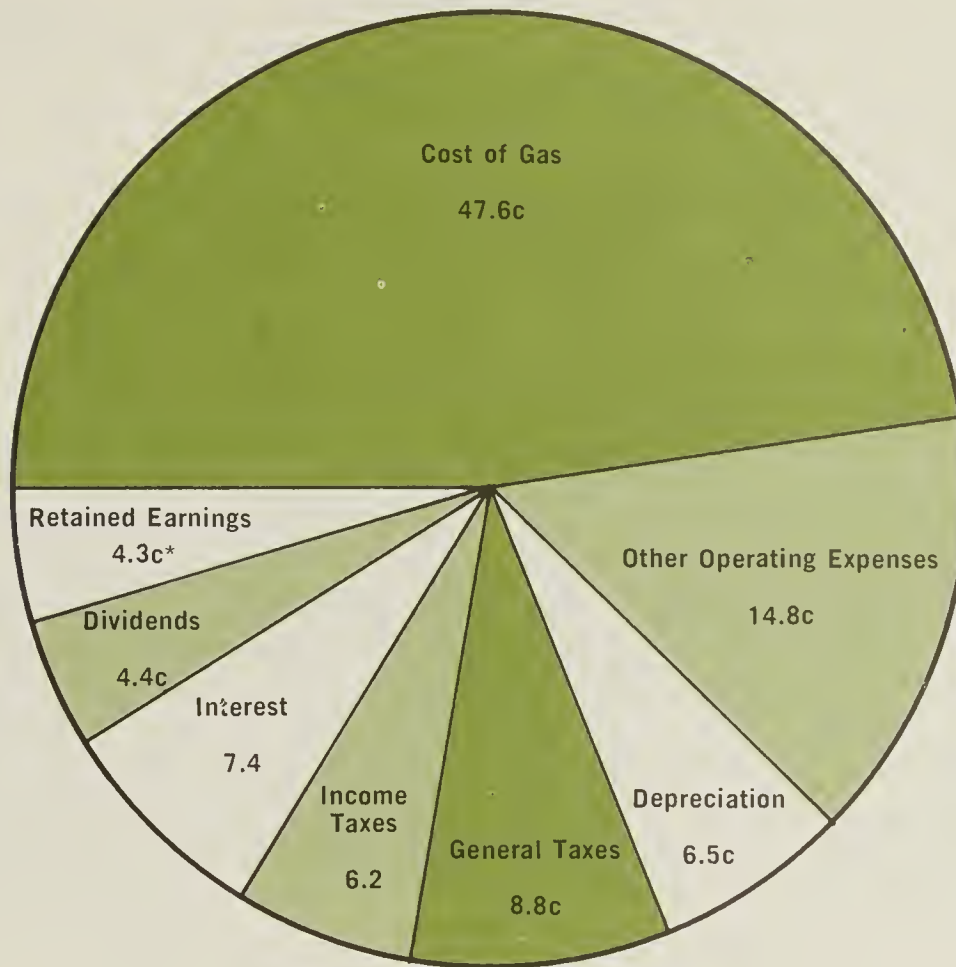
FIGURE NO. 21

DISPOSITION OF THE REVENUE DOLLAR

GAS COMPANIES

North Carolina Data Only

December 31, 1966



* Retained Earnings and dividends per revenue dollar have no relation to the rate of return earned on investment.

FIGURE NO. 22

GAS COMPANIES

**Summary of Selected Income and Expenses, Balance Sheet and Customer
Statistics for the Calendar Years of 1960, 1963, 1964, 1965, and 1966
(N. C. Data Only Unless Noted Otherwise)**

Item	Years (Cents Omitted)					Percent Change More (Less)			
	1960	1963	1964	1965	1966	1960 to 1963	1963 to 1964	1964 to 1965	1965 to 1966
Number of Companies Regulated.....	8	8	8	7	7				
Number included in this Data.....	8	8	8	7	7				
Income and Expense Items:									
Total Sales to Ultimate Consumers.....	\$29,195,718	\$ 42,292,578	\$ 46,819,941	\$ 50,000,379	\$ 57,383,386	44.9	10.7	6.8	14.8
Sales for Resale.....	2,034,000	3,196,000	3,118,265	2,111,842	2,153,446	57.1	(2.4)	(32.3)	2.0
Total Sales of Gas.....	\$ 31,229,718	\$ 45,488,578	\$ 49,938,206	\$ 52,112,221	\$ 59,536,832	45.7	9.8	4.4	14.2
Other Operating Revenue.....	213,920	242,225	157,197	325,333	198,881	13.2	(35.1)	107.0	(38.9)
Total Operating Revenue.....	\$ 31,443,638	\$ 45,730,803	\$ 50,095,403	\$ 52,437,554	\$ 59,735,713	45.4	9.5	4.7	13.9
Natural Gas Purchased.....	\$ 16,285,872	\$ 23,046,288	\$ 24,595,701	\$ 25,925,843	\$ 28,499,640	41.5	6.7	5.4	9.9
Maintenance and Repairs.....	708,677	852,894	929,337	959,679	1,120,110	20.4	9.0	3.3	16.7
Depreciation and Amortization.....	1,949,108	3,059,199	3,196,020	3,463,046	3,850,093	57.0	4.5	8.4	11.2
Taxes:									
State Income.....	\$ 235,114	\$ 287,913	\$ 419,086	\$ 337,285	\$ 466,743	22.5	45.6	(19.5)	38.4
Federal Income Allocated to N. C. Earnings.....	2,001,923	2,521,155	2,987,093	2,539,403	3,388,247	25.9	18.5	(15.0)	33.4
Franchise, State, and Local Property.....	2,333,803	3,621,508	4,047,876	4,490,322	4,343,522	55.2	11.8	10.9	(3.3)
Other Taxes.....	147,660	171,772	184,673	199,736	945,709	16.3	7.5	8.2	373.5
Total Taxes.....	4,718,500	6,602,348	7,638,728	7,566,746	9,144,221	39.9	15.7	(.9)	20.8
Total Operating Expenses.....	\$ 28,194,887	\$ 39,334,963	\$ 42,772,353	\$ 44,645,898	\$ 50,453,902	39.5	8.7	4.4	13.0
Net Operating Revenues.....	\$ 3,248,751	\$ 6,395,840	\$ 7,323,050	\$ 7,791,656	\$ 9,281,811	96.9	14.5	6.4	19.1
Other Income.....	178,767	199,775	250,976	234,044	315,283	11.8	25.6	(6.7)	34.7
Interest on Long-term Debt.....	2,610,685	3,652,544	3,778,138	3,878,806	3,958,217	39.9	3.4	2.7	2.0
Total Other Deductions (Includes Interest on Long-term Debt).....	2,911,769	3,929,624	4,004,178	4,031,590	4,330,581	35.0	1.9	.7	7.4
Net Income.....	515,749	2,665,991	3,569,848	3,994,110	5,266,513	416.9	33.9	11.9	31.9
Balance Sheet Items (N. C. Only)									
Utility Plant (Gross).....	\$ 84,126,437	\$ 114,896,982	\$ 125,878,638	\$ 138,297,448	\$ 150,453,181	36.6	9.6	9.9	8.8
Depreciation Reserve.....	8,133,669	15,980,216	18,927,438	22,092,714	25,397,455	96.5	18.4	16.7	15.0
Utility Plant—Net (Original Cost).....	\$ 75,992,768	\$ 98,916,766	\$ 106,951,200	\$ 116,204,734	\$ 125,055,726	30.2	8.1	8.7	7.6
Balance Sheet Items (Systemwide)									
Long-term Debt.....	\$ 64,432,400	\$ 86,984,000	\$ 87,931,577	\$ 94,564,577	\$ 92,277,402	35.0	1.1	7.5	(2.4)
Earned Surplus.....	4,930,248	5,913,486	7,771,762	9,441,643	12,183,011	19.9	31.4	21.5	29.0
Total Capitalization.....	\$ 94,245,626	\$ 122,332,053	\$ 132,669,408	\$ 143,993,950	\$ 149,109,122	19.8	8.5	8.5	3.6
Long-term Debt—Percent of Total Capitalization.....	68.4	71.1	66.3	65.7	61.9	3.9	(6.8)	(.9)	(5.8)
Number of Common Shares Outstanding— Year End.....	4,197,010	4,606,720	4,760,089	5,422,710	5,600,365	9.8	3.3	13.9	3.3
Earnings Per Common Share—Year End - (After Preferred Dividends).....	4¢	61¢	76¢	75¢	\$ 1.15	1,425.0	26.2	(1.3)	53.3
Customer and Miscellaneous Data									
Average Annual Use—Residential Customer (Mcf).....	81	91	95	93	103	12.3	4.4	(2.1)	10.8
Total Residential Customers—Avg. Annual Count.....	88,509	125,435	134,097	145,080	156,836	41.7	6.9	8.2	8.1
Grand Total all Types Customers—Avg. Annual Count.....	112,409	157,953	168,078	185,387	197,370	40.5	6.4	10.3	6.5
Average Number of Full-time Employees.....	1,113	1,254	1,328	1,410	1,559	12.7	5.9	6.2	10.6
Total Salaries and Wages Paid Employees.....	\$ 5,209,069	\$ 6,257,150	\$ 6,973,137	\$ 7,750,567	\$ 8,579,917	20.1	11.4	11.1	10.7
Average Annual Compensation Per Employee.....	\$ 4,680	\$ 4,990	\$ 5,251	\$ 5,497	\$ 5,503	6.6	5.2	4.7	.1



IV. The Telephone Industry

FIGURE NO. 23

THE TELEPHONE INDUSTRY
TELEPHONE COMPANIES OPERATING IN NORTH CAROLINA
AND NUMBER OF TOTAL TELEPHONES IN SERVICE
AT YEAR END FOR 1963, 1964, 1965 AND 1966

Companies CLASS A AND B	Number of Total Telephones in Service				Per Cent of Increase (Decrease) 1966 over 1965	Number of Exchanges		
	1963	1964	1965	1966		1964	1965	1966
Carolina Telephone and Telegraph Company.....	262,300	283,031	306,770	332,331	8.3	113	113	114
Central Telephone Company.....	71,571	76,455	81,858	99,146	21.1	25	27	35
Citizens Telephone Company.....	4,747	5,300	5,919	6,690	13.0	2	3	3
Concord Telephone Company.....	39,873	41,923	44,308	47,023	6.1	9	9	9
Eastern Rowan Telephone Company.....	2,514	2,675	2,832	3,054	7.8	1	1	1
General Telephone Co. of N. C.....	8,299	8,952	9,306	9,961	7.0	1	3	3
General Telephone Company of the Southeast.....	50,226	52,389	56,057	61,816	10.3	2	2	2
Heins Telephone Company.....	9,929	10,601	11,267	12,123	7.6	3	3	3
Lee Telephone Company.....	7,938	8,570	9,169	9,486	3.5	5	5	5
Lexington Telephone Company.....	10,497	11,144	12,006	12,737	6.1	3	3	3
Mebane Home Telephone Company.....	2,283	2,392	2,571	2,749	6.9	1	1	1
Mooresville Telephone Company.....	4,748	5,053	5,466	5,758	5.3	1	1	1
Morris Telephone Company.....	9,578	10,177	10,481	**	**	7	7	**
Norfolk & Carolina Telephone & Telegraph Company.....	16,710	17,778	18,757	20,194	7.7	11	11	15
North Carolina Telephone Company.....	10,146	11,054	12,096	13,240	9.5	11	13	13
North State Telephone Company.....	43,152	45,513	48,237	50,777	5.3	3	3	3
Oldtown Telephone System, Inc.....	7,093	7,800	8,872	9,734	9.7	5	5	5
Sandhill Telephone Company.....	1,709	1,684	1,743	1,917	10.0	2	2	2
Southern Bell Telephone & Telegraph Company.....	775,270	825,531	884,507	948,871	7.3	90	92	92
Thermal Belt Telephone Company.....	3,389	3,525	3,750	3,932	4.9	3	3	3
United Telephone Company of the Carolinas, Inc.....	19,723	21,020	22,768	24,868	9.2	13	13	13
Western Carolina Telephone Company.....	14,062	14,675	15,489	17,239	11.3	11	11	11
Westco Telephone Company.....	7,234	8,122	8,709	9,828	12.8	13	13	14
Totals—Class A and B.....	1,382,991	1,475,364	1,582,938	1,703,474	7.6	335	344	351
CLASS C AND D								
Branardsville Telephone Company.....	247	280	293	300	2.4	1	1	1
Cooleemee Telephone Company.....	664	715	749	823	9.9	1	1	1
Denton Telephone Company.....	806	841	910	1,156	27.0	1	1	1
Ellerbe Telephone Company.....	742	713	743	802	7.9	1	1	1
First Colony Telephone Company.....	43	47	48	106	120.8	1	1	1
Lilesville Telephone Company.....	350	427	454	477	5.1	1	1	1
Randolph Telephone Company.....	1,238	1,339	1,398	1,532	9.6	1	1	1
Saluda Mountain Telephone Company.....	346	358	373	370	(.8)	1	1	1
Service Telephone Company.....	448	454	468	501	7.1	1	1	1
Totals—Class C and D.....	4,884	5,174	5,436	6,067	11.6	9	9	9
Grand Totals.....	1,387,875*	1,480,538*	1,588,374*	1,709,541*	7.6	344	353	360
United States Totals.....	84,450,300	88,787,400	93,659,000	98,789,370	5.5			

*Includes Special Service Telephones
as follows:

24,096	24,461	27,216	26,104	11.3
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**Morris Telephone Company merged with Central Telephone Company November 4, 1965.

TELEPHONE INDUSTRY

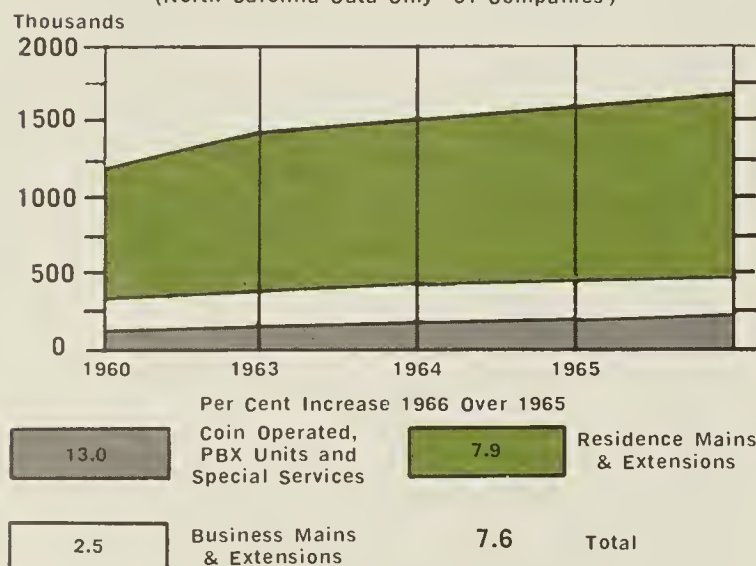
GENERAL

At December 31, 1966, there were 22 Class A and B and 9 Class C and D telephone companies under jurisdiction of the North Carolina Utilities Commission. Western Union Telegraph Company's rates on intrastate service are also regulated by the Commission, but the Federal Communications Commission has jurisdiction over the extension and abandonment of telegraph offices and services. The Utilities Commission receives notice of all proceedings initiated by Western Union and is a proper party to those proceedings. Seven of the telephone companies under North Carolina jurisdiction also have operations in other states.

The telephone companies render both local exchange service and toll service pursuant to tariffs containing rates and charges on file with and approved by the Utilities Commission.

FIGURE 24

TELEPHONES IN SERVICE
As of Dec. 31, 1966
(North Carolina Data Only—31 Companies)



CUSTOMER GROWTH AND IMPACT ON PLANT INVESTMENT

The regulated utilities had 1,709,541 telephones in service in North Carolina at December 31, 1966. They added 121,167 telephones in 1966, an increase in total telephones of 7.6 per cent over 1965. Figure No. 23 shows increases in telephones by companies. This rate of increase is 38.2 per cent greater than the national growth-rate in 1966. For over a decade, new telephones have been installed in North Carolina at a rate greater than the national rate. Of total telephones provided by regulated utilities in the state, Southern Bell Telephone and Telegraph Company serves 55.5 per cent, and Carolina Telephone and Telegraph Company serves 19.4 per cent. An indication of the activity leading to the gain of these telephones is that about four installations or moves are made for each net gain of one telephone.

The installation of an additional telephone requires additional investment and is not always obvious. For example, in installing an additional instrument, provision must be made for central office equipment, circuits, and lines adequate to the traffic potential of the installation. The telephone companies attempt to maintain a plant margin of reserve for growth and maintenance of at least six to eighteen months for central office equipment. For other types of plant, the companies strive for a margin or reserve of greater duration depending on the type of construction and the economies involved in such construction. The telephone company generally attempts to engineer for a three-year growth in outside cable plant facilities and for a one- to two-year growth factor in central office equipment. The experience of the majority of companies in North Carolina recently has been that margins are taken up by new demands much more rapidly than projected, often in as little as six months. **Unlike other industries, increased volume and increased installation do not necessarily mean increased profits for the telephone utilities.** In many instances, increased volume can mean less net earnings where the unit cost of servicing the investment exceeds additional unit revenue derived. This is particularly true in sparsely populated areas requiring high investment per station. The same unit profit squeeze may also be evident in meeting demands for higher grades of service; for example, because of rate differentials, where a subscriber who had been receiving four-party service asks for and receives one-party service, the increased revenue per unit may not keep pace with the additional investment and expense.

DEMANDS FOR SERVICE

The telephone companies in North Carolina for several years have been faced with an enormous challenge in meeting demands for service. At December 31, 1966, customers who had applied for service and who had not been served within thirty days after application numbered 2,985. This compares to 2,735 at December 31, 1965.

As more and more telephone service is extended throughout the state, the over-all problem changes somewhat from satisfying demands for service, on which the Commission and the companies have placed special emphasis, to satisfying demands for better quality of service. At year's end, unsatisfied demands for up-graded service were at an all-time high of 27,280. It is believed this peak condition results almost entirely from the Commission's vigorous program of requiring the telephone companies to offer primary service throughout their built-up areas through extensions of their base rate areas in local exchanges. The extension of base rate areas eliminates the mileage surcharge for some customers and reduces it for others. This substantially reduces the over-all monthly cost of telephones for a large number of subscribers and creates an immediate and substantial demand for up-graded service.

EXTENDED AREA SERVICE (EAS)

This is the industry term applied to the extension of toll-free service from one telephone exchange to and from another when a toll charge had theretofore applied between them. Widespread public interest is developing in this field, and the time spent in determining communities of interest, studying costs and revenues associated with providing the service, and sounding subscriber sentiment was considerable in 1966. Extended area service was approved during 1966 in the following exchanges:

(EAS)

Telephone Companies 1966

(Approved to Provide Service)

Carolina Telephone & Telegraph Company

P-7, Sub 338 Approved 4-4-66

Moss Hill—Goldsboro

P-7, Sub 342 Approved 8-8-66

Chadbourn—Fairbluff

P-7, Sub 349 Approved 6-13-66

Bath—Aurora; Bath—Washington

P-7, Sub 362 Approved 7-10-66

Ahoskie, Murfreesboro, Aulander,
Colerain & Winton

Central Telephone Company

P-10, Sub 223 Approved 1-10-66

Bethlehem—Taylorsville

P-10, Sub 229 Approved 8-1-66

Yanceyville to Anderson, Gatewood
& Milton

Service Telephone Company

P-60, Sub 19 Approved 8-8-66

Fairbluff—Chadborun

Southern Bell Telephone and Telegraph Company

P-55, Sub 485 Approved 4-15-66

Cary and the Wendell—Zebulon
Exchanges

P-55, Sub 488 Approved 8-8-66

Lake Lure—Rutherfordton

Western Carolina Telephone Company

P-58, Sub 55 Approved 3-21-66

Old Fort to Marion, Pleasant
Garden, Sevier and Glenwood
Providence

TELEPHONE RATES

Local exchange rates. These are the monthly charges for basic telephone service as fixed by the Commission. These rates are divided between residential and commercial telephones and are graduated upward from four-party to single-party service. Local exchange rates for a particular company are fixed on a company-wide basis according to the calling scope of the particular exchanges; i.e., the number of telephones in an exchange which a single subscriber may telephone without toll charge. These rate groupings by telephone population are not standard among the companies. Figure No. 25 shows rate groupings with rates for the regulated telephone companies.

The practical result of the foregoing "value of service principle" is that a company's subscribers in an urban area will pay a proportionately higher monthly local exchange rate than the same company's subscribers in a community having a substantially smaller number of telephones that can be called without a toll charge. Thus, unlike electric and natural gas utilities, which have standard rates applicable to a customer classification company-wide, the telephone companies have different rates for basic service depending upon the telephone population or calling scope in the particular exchange. Telephone rates also vary substantially between companies and states. Figure No. 26 shows local service telephone monthly rates for selected exchanges in North Carolina and selected out-of-state exchanges. The out-of-state companies shown were selected mainly because of exchange sizes comparable to North Carolina. The figure permits very few, if any, reasonable comparisons. It does illustrate the wide disparities in rates between companies and states.

Mileage charges. The telephone companies make a monthly mileage charge (generally 63 cents per quarter mile airline measured from the nearest point on the base rate area boundary to the point of installation) for primary service outside the base rate area. No mileage charges are made within the base rate areas, and mileage charges for rural or multi-party service (8 to 10 subscribers on a single line) outside the base rate area are being eliminated as rapidly as possible.

Toll charges. Calls between two separate exchanges are "long distance" or toll charge calls, unless arrangements have been made for extended area (toll free) service. Intrastate toll charges in North Carolina are uniform throughout the state. These toll rates were reduced to be effective March 1, 1966 as shown on Figure No. 27. The reduction was made possible through an FCC and NARUC* approval of separation manual charges that resulted in a transfer of approximately \$560,000 in revenue requirements from intrastate to interstate properties by the North Carolina Bell Company. The reductions were spread over the mileage brackets including the range of 53 to 124 miles, each of the brackets in this inclusive range was reduced 5¢ for both station to station and person to person type calls.

This action was in line with the long-range Commission objective of making interstate and intrastate toll rates equal.

Service connection charges. The Commission also regulates the various service connection charges of telephone companies. An effort has been made to establish uniformity in these charges. Generally, this has been realized. Authorized uniform charges are as follows:

Main stations—each	\$8.00
Extension stations—each	\$4.00
Moves and changes—each	\$4.00

*National Association of Railroads and Utilities Commission.

TELEPHONE RATES
Monthly Flat Rates by Calling Scope Groupings
For One Party Business and Residential Service
As of December 31, 1966

Company	Calling Scope ¹ and Related Monthly Flat Rates									
	1-500		501-1000		1001-2000		2001-4000		4001-8000	
	Business	Residence	Business	Residence	Business	Residence	Business	Residence	Business	Residence
Barnardsville	4.25	2.75								
Carolina Tel. & Tel.			8.75	5.25	10.00	5.50	11.00	6.00	12.00	6.50
Central ²							10.55	5.70		
Citizens									9.00	5.00
Concord										
Cooleemee							7.50	5.75		
Denton			7.50	4.75						
Eastern Rowan			9.50	5.75						
Ellerbe										
General (North Carolina)										
General of the Southeast									7.50	4.60
Heins										
Lee										
Lexington							7.00	4.30	7.75	4.70
Lilesville							11.00	6.50		
Mebane Home										
Mooresville									6.10	3.25
Norfolk & Carolina										
North Carolina					10.00	6.00	11.00	6.50		
North State										
Oldtown										
Randolph			7.10	5.00						
Saluda Mountain	6.50	4.50							8.50	4.50
Sandhill										
Service	7.50	4.75								
Southern Bell					8.50	3.75	9.00	4.00	9.50	4.20
Thermal Belt							9.00	5.75		
United							8.95	4.80	12.75	6.25
Westco	9.65	5.50	10.65	5.75	11.65	6.00	12.65	6.25	13.60	6.50
Western Carolina	12.50	7.05	13.00	7.15	13.50	7.25	14.00	7.35	14.50	7.45

FIGURE NO. 25—Continued

TELEPHONE RATES
Monthly Flat Rates by Calling Scope Groupings
For One Party Business and Residential Service
As of December 31, 1966

Company	8001-16,000		16,001-32,000		32,001-50,000		60,001-100,000		100,001-150,000	
	Business	Residence	Business	Residence	Business	Residence	Business	Residence	Business	Residence
Barnardsville-----										
Carolina Tel. & Tel.-----	13.75	7.25	14.50	7.25	15.00	7.50				
Central ² -----	11.50	6.15	12.05	6.35						
Citizens-----										
Concord-----	8.50	4.25	9.60	4.75						
Coolleemee-----										
Denton-----										
Eastern Rowan-----	9.80	5.10								
Ellerbe-----										
General (North Carolina)-----					11.00	4.25				
General of the Southeast-----										
Heins-----	7.50	4.50								
Lee-----	9.00	5.10	10.50	5.55			12.00	6.00		
Lexington-----	7.70	4.60								
Lilesville-----										
Mebane Home-----			9.00	5.25						
Moorestville-----										
Norfolk & Carolina-----			11.50	6.25			15.00	7.50		
North Carolina-----										
North State-----			9.50	4.50	12.00	6.50				
Oldtown-----										
Randolph-----										
Saluda Mountain-----										
Sandhill-----										
Service-----										
Southern Bell-----	10.00	4.40	10.75	4.70	11.50	5.00	14.25	5.35	16.00	5.60
Thermal Belt-----										
United-----										
Westco-----	14.55	6.75	15.50	7.00						
Western Carolina-----	15.00	7.55	15.50	7.65						

¹ "Calling Scope" is the number of main station telephone and PBX trunks that can be called without paying a toll charge. The above rates are applicable to customers being served from exchanges having a total number of main stations and PBX trunks following within the ranges indicated.

² Rates shown do not include following exchanges: Efland, Hillsborough, Prospect Hill, Roxboro, Timberlake and Yanceyville.

FIGURE NO. 26
LOCAL SERVICE TELEPHONE MONTHLY RATES
Selected Exchanges Serving Cities of 50,000 Population
or More (1960 Census)
(In Effect June 30, 1966)

Company	Exchange and/or City	State	Telephones in L. S. A. as of 6/30/66	Monthly Flat Rates	
				1-Party Service	Residence
North State Telephone Company	High Point	N. C.	48,000	9.50	4.50
Southern Bell Telephone & Telegraph Company	Gadsden	Ala.	34,300	12.00	4.60
General Telephone Co. of the Southeast	Durham	N. C.	55,154	11.00	4.25
General Telephone Co. of Indiana, Inc.	Terre Haute	Ind.	51,341	11.60	5.85
Southern Bell Telephone & Telegraph Company	Asheville	N. C.	62,700	11.50	5.00
Michigan Bell Telephone Company	Jackson	Mich.	64,900	9.05	4.35
Southern Bell Telephone & Telegraph Company	Raleigh	N. C.	91,500	12.00	5.20
New England Telephone & Telegraph Company	Portland	Maine	72,401	17.70	6.95
Southern Bell Telephone & Telegraph Company	Greensboro	N. C.	90,900	12.00	5.20
Southwestern Bell Telephone Company	Corpus Christi	Texas	90,565	13.00	5.00
Southern Bell Telephone & Telegraph Company	Winston-Salem	N. C.	99,300	12.00	5.20
General Telephone Company of California	San Bernardino	Calif.	108,482	11.30	4.95
Southern Bell Telephone & Telegraph Company	Charlotte	N. C.	175,500	14.25	5.35
Diamond State Telephone Company	Wilmington	Del.	227,400	12.35	6.00

Source: NARUC booklet "Local Service Telephone Rates in the United States," October 1966.
 L.S.A. —Local Service Area.

FIGURE NO. 27

NORTH CAROLINA INTRASTATE TELEPHONE TOLL RATES
Effective March 1, 1966

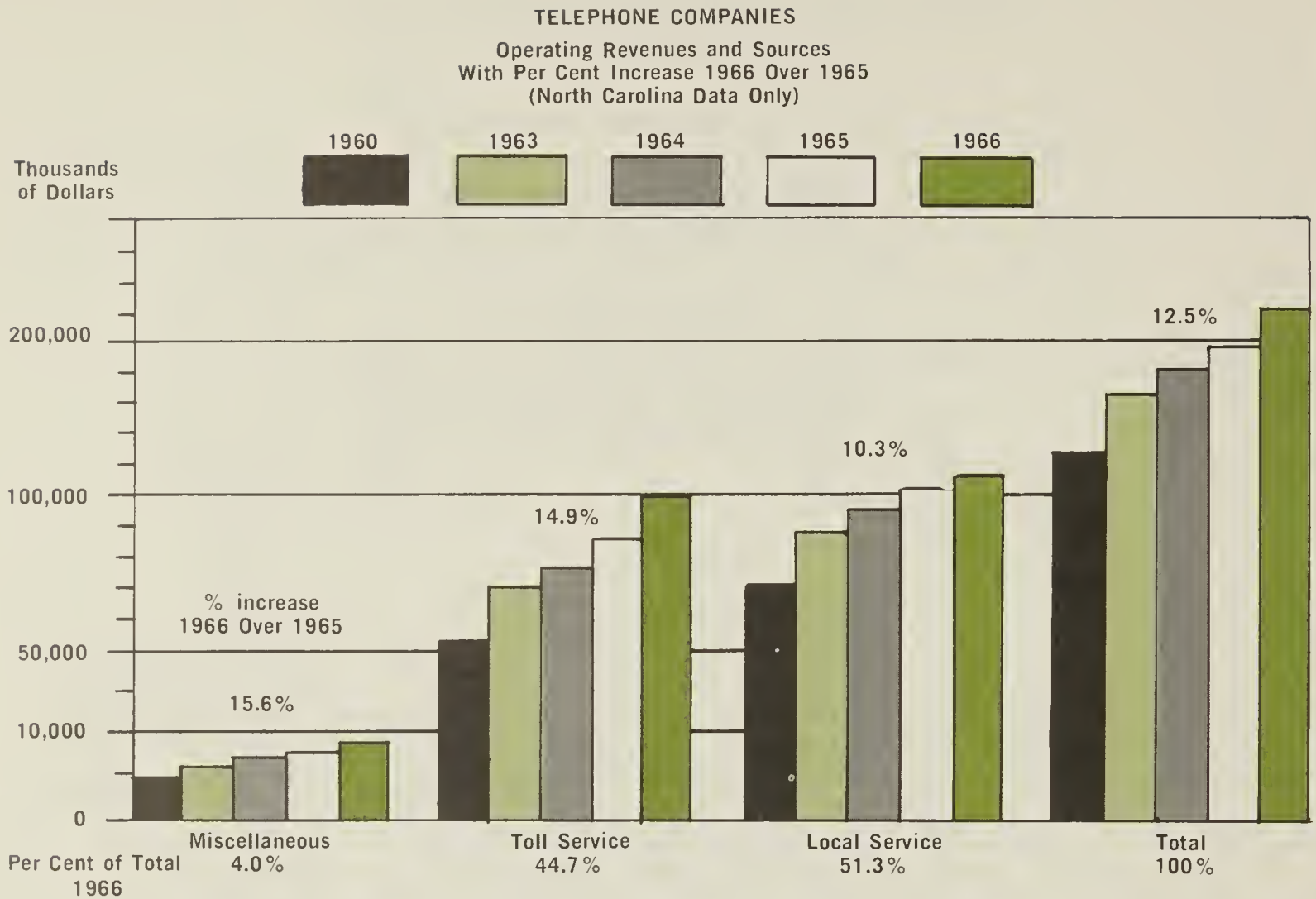
MILEAGES AND CORRESPONDING RATES

MILEAGE	All Days—All Hours			All Days—All Hours		
	Station to Station			Person to Person		
	Paid		Collect	Paid and Collect		
	3 Minutes	Additional Minute	Amount to be Added to Charges Computed on "Paid" Basis	3 Minutes	Add'l. Min. First 3	After 3
0- 6	.15	.05	.20	.35	.11	.05
7-10	.20	.06	.15	.40	.13	.06
11-14	.25	.08	.10	.50	.16	.08
15-24	.30	.10	.05	.60	.20	.10

PAID AND COLLECT

	Station to Station						Person to Person					
	Day		Evening		Night		Day			Night		
	Mon. thru Fri. 4:30 A to 6:00 P		Mon. thru Fri. 6:00 P to 8:00 P and Sat. 4:30 A to 8:00 P		Mon. thru Sat. 8:00 P to 4:30 A and all Day Sun.		Mon. thru Sat. 4:30 A to 6:00 P			Mon. thru Sat. 6:00 P to 4:30 A and all Day Sunday		
MILEAGE	3 Min.	Add'l. Min.	3 Min.	Add'l. Min.	3 Min.	Add'l. Min.	3 Min.	Add'l. Min. First 3	After 3	3 Min.	Add'l. Min. First 3	After 3
25— 32	.35	.11	.35	.11	.35	.11	.65	.21	.11	.65	.21	.11
33— 42	.40	.13	.40	.13	.40	.13	.75	.25	.13	.75	.25	.13
43— 55	.45	.15	.40	.13	.40	.13	.85	.28	.15	.80	.26	.13
56— 85	.50	.16	.45	.15	.45	.15	.95	.31	.16	.85	.28	.15
86—100	.55	.18	.45	.15	.45	.15	1.00	.33	.18	.90	.30	.15
101—124	.60	.20	.45	.15	.45	.15	1.05	.35	.20	.90	.30	.15
125—148	.65	.21	.50	.16	.50	.16	1.15	.38	.21	1.00	.33	.16
149—172	.70	.23	.55	.18	.50	.16	1.30	.43	.23	1.15	.38	.18
173—196	.75	.25	.55	.18	.50	.16	1.40	.46	.25	1.20	.40	.18
197—220	.80	.26	.60	.20	.50	.16	1.45	.48	.26	1.25	.41	.20
221—244	.85	.28	.65	.21	.50	.16	1.50	.50	.28	1.30	.43	.21
245—268	.90	.30	.70	.23	.50	.16	1.55	.51	.30	1.35	.45	.23
269—292	.95	.31	.70	.23	.50	.16	1.60	.53	.31	1.35	.45	.23
293—316	1.00	.33	.75	.25	.50	.16	1.65	.55	.33	1.40	.46	.25
317—354	1.05	.35	.80	.26	.50	.16	1.70	.56	.35	1.45	.48	.26
355—392	1.10	.36	.85	.28	.55	.18	1.75	.58	.36	1.50	.50	.28
393—430	1.15	.38	.85	.28	.55	.18	1.80	.60	.38	1.50	.50	.28
431—468	1.20	.40	.85	.28	.60	.20	1.85	.61	.40	1.55	.51	.28
469—506	1.25	.41	.90	.30	.60	.20	1.90	.83	.41	1.60	.53	.30
507—544	1.30	.43	.90	.30	.60	.20	1.95	.65	.43	1.65	.55	.30

FIGURE NO. 28



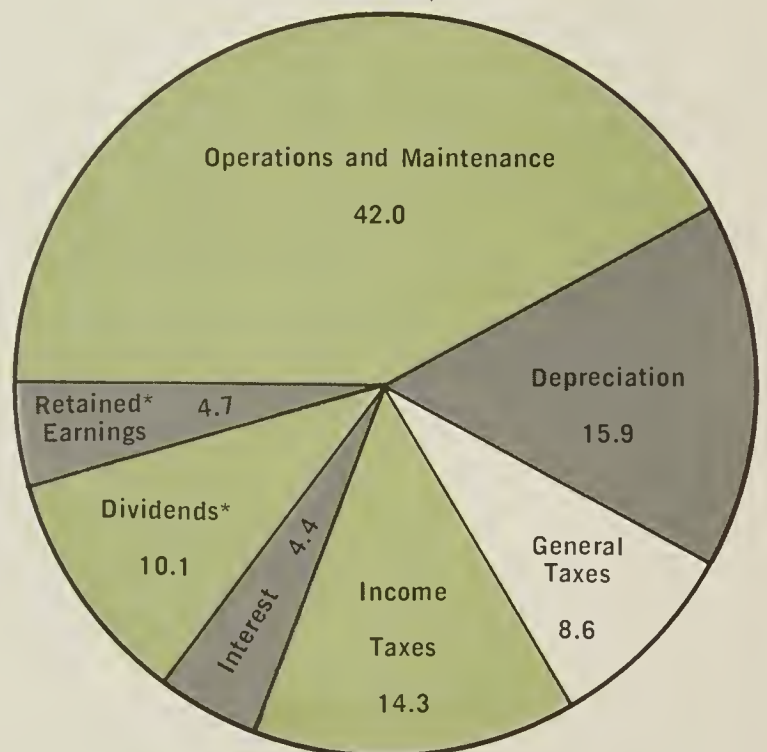
Special charges. Certain special equipment such as key systems and private branch exchange systems require special rates and special consideration by the Commission. These rates are fixed individually on a case-by-case and company-by-company basis and vary widely because of variances in equipment and operating characteristics.

SOURCE AND DISPOSITION OF REVENUES

The telephone companies derived about 51.3 per cent of their revenues for the year 1966 from charges for local service with the remaining 48.7 per cent coming primarily from toll charges. This division of source of revenue is about the same as in prior years. Total revenues were up 12.5 per cent in 1966 over 1965. See Figure No. 28 for source of operating revenues for the period 1960-1966.

Operation and maintenance expenditures in 1966 were equal to 42.0 cents of each revenue dollar collected by the telephone companies. Depreciation and income taxes accounted for the next two (2) largest shares of the revenue dollar, depreciation expense amounting to 15.9 cents and income taxes 14.3 cents. General dividends to the shareholders amounted to 10.1 cents of each dollar while general taxes required 8.6 cents. Interest or fixed charges

FIGURE NO. 29
DISPOSITION OF THE REVENUE DOLLAR
TELEPHONE COMPANIES
North Carolina Operations Only
December 31, 1966



*Retained Earnings and dividends per revenue dollar have no relation to the rate of return earned on investment.

and retained earnings received almost an equal amount of each revenue dollar, the former requiring 4.4 cents and the latter receiving 4.7 cents. Figure No. 29 shows graphically the disposition of the revenue dollar; this distribution is very much the same as it was for the year 1965.

PLANT INVESTMENT

The regulated telephone companies increased their gross plant investment in North Carolina by \$83,912,594 in 1966, an increase of 12.2 per cent over 1965. The additional investment raises total gross plant allocated to North Carolina operations to over 774 million dollars or the equivalent of 460 dollars per telephone based on year end count. Figure No. 30 shows plant investment per telephone for the period 1960-1966 on a North Carolina industry-wide basis and Figure No. 31 shows the

same data for each of the regulated telephone companies operating in North Carolina.

STATISTICAL SUMMARY DATA

Total telephone operating revenues increased \$24,728,989 or 12.5 per cent in 1966, reaching a total of \$222,511,618. Operating expenses increased at a rate of 11.8 per cent. Net operating income increased \$5,600,562, or 15.5 per cent.

The telephone utilities' largest operating expense item was \$74,645,061 for salaries and wages which was 41.3 per cent of their total operating expenses, and income taxes (\$48,914,115) was the next largest item. Total employees in the telephone industry rose by 1,206 (9.8 per cent) to a total of 13,530 at December 31, 1966. A detailed account of these items is shown on Figure No. 32.

FIGURE NO. 30
TELEPHONE COMPANIES—PLANT INVESTMENT PER TELEPHONE
With Per Cent Increase 1966 Over 1965
(North Carolina Data Only)

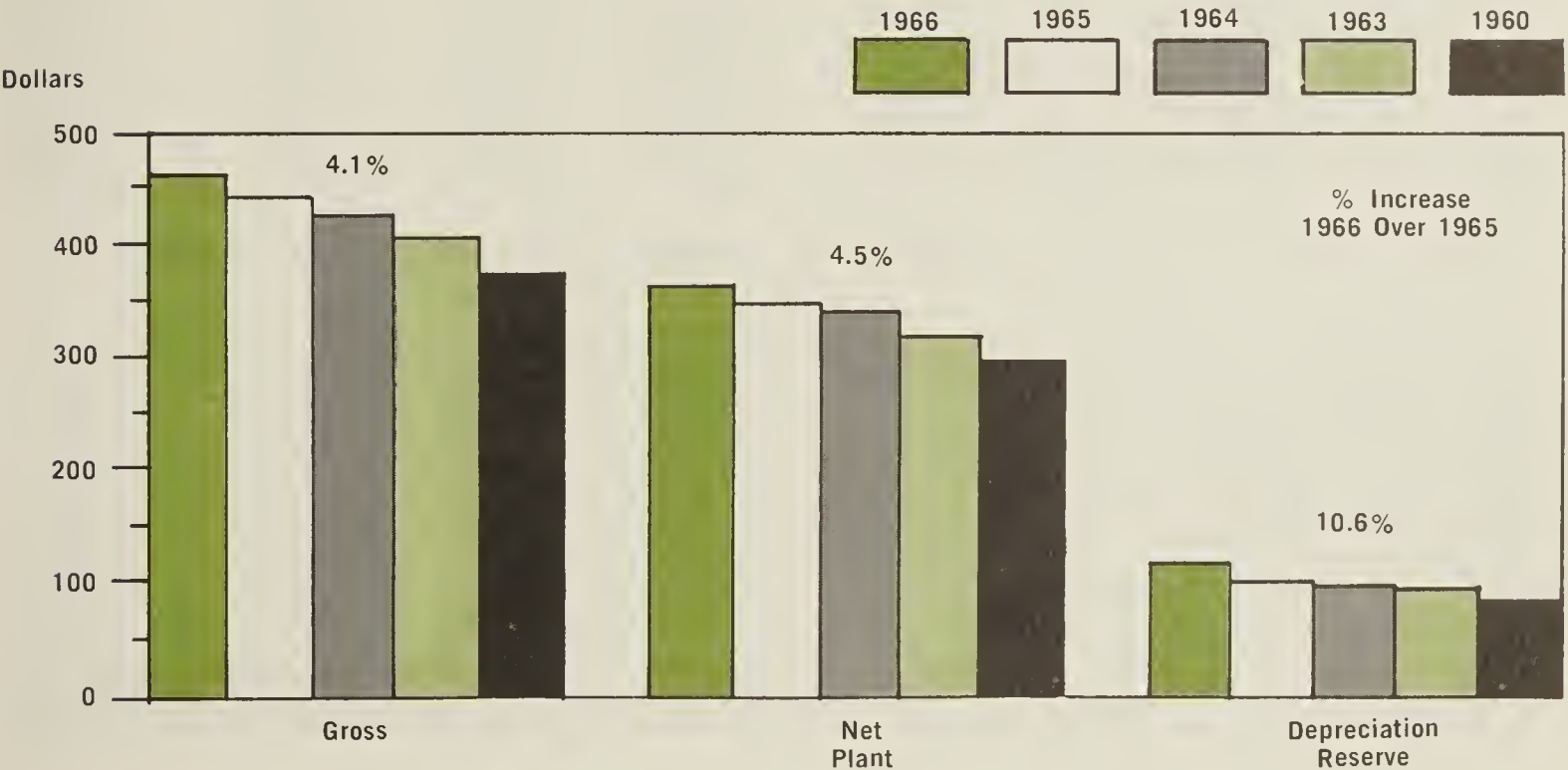


FIGURE NO. 31

GROSS AND NET TELEPHONE PLANT ALLOCATED TO NORTH CAROLINA OPERATIONS

For the Years Ended December 31, 1966, 1965, 1964, 1963, and 1960

(N. C. Data only unless otherwise noted)

N. C. Gross Telephone Plant (In service, under construction future use) Year End				
CLASS A & B	1966		1965	
	Total	Per Phone ¹	Per Phone ¹	Total
Carolina Telephone and Telegraph Company	\$ 181,756,827	\$ 589.71	\$ 556.81	\$ 157,148,019
Central Telephone Company	41,055,035	414.21	394.32	32,266,754
Citizens Telephone Company	3,964,815	592.64	571.56	3,381,404
Concord Telephone Company	16,499,621	351.02	334.96	14,835,244
Eastern Rowan Telephone Company	1,474,287	482.73	477.83	1,353,216
General Telephone Company of N. C.	3,767,005	378.17	378.51	3,522,426
General Telephone Company of the Southeast	26,245,191	424.83	373.16	20,914,285
Heins Telephone Company	5,752,407	474.50	493.96	5,565,398
Lee Telephone Company	3,914,124	412.62	407.11	3,732,805
Lexington Telephone Company	4,994,838	392.15	364.05	4,370,841
Mebane Home Telephone Company	1,512,584	550.23	512.68	1,318,123
Mooreville Telephone Company	1,658,781	289.94	276.84	1,503,537
**Morris Telephone Company	**	**	443.52	4,648,518
Norfolk & Carolina Telephone & Telegraph Company	11,319,070	560.51	483.36	9,066,330
North Carolina Telephone Company	8,720,923	658.68	642.80	7,775,293
North State Telephone Company	16,854,413	334.41	320.64	15,292,866
Oldtown Telephone System, Inc.	4,783,408	491.41	497.69	4,415,506
Sandhill Telephone Company	953,560	497.42	445.62	776,713
Southern Bell Telephone & Telegraph Company	405,282,592	427.95	419.57	370,284,153
Thermal Belt Telephone Company	1,934,388	491.96	470.26	1,763,500
United Telephone Company of the Carolinas, Inc.	11,709,289	501.98	429.52	9,769,041
Western Carolina Telephone Company	10,394,694	602.97	560.01	8,674,004
Westco Telephone Company	6,852,401	697.23	688.60	5,997,021
Totals—Class A & B	\$ 771,400,253	\$ 460.41W/a	\$ 442.48W/a	\$ 688,374,997
CLASS C & D				
Barnardsville Telephone Company	63,379	212.68	197.81	57,958
Cooleemee Telephone Company	226,457	277.18	245.45	182,371
Denton Telephone Company	438,590	379.40	272.25	247,754
Ellerbe Telephone Company	607,959	758.05	298.47	221,765
*First Colony Telephone Company	97,721	921.90	1,353.77	64,981
Lilesville Telephone Company	106,312	222.87	202.69	91,415
Randolph Telephone Company	1,185,603	773.89	694.71	970,506
Saluda Mountain Telephone Company	NA	NA	79.42	29,622
Service Telephone Company	176,130	351.56	317.18	148,441
Totals—Class C & D	2,902,151	478.89W/a	371.32W/a	2,014,813
Grand Totals	\$ 774,302,404	\$ 460.48W/a	\$ 442.23W/a	\$ 690,389,810

* Merger of Princess Anne Tel. Co., Appomattox Tel. Co., and Fredericksburg and Wilderness Tel. Co. with surviving Corporation (Knotts Island Telephone Co.) to form "First Colony Tel. Co."—Docket No. P-28, Sub. 6.

** Morris Telephone Co. merged with Central Tel. Co. Nov. 4, 1965, Docket No. P-10, Sub 216. Data for 1965, 1964, 1963, and 1960 is shown under Morris Tel. Co.

¹ Based on number of regular telephones in service at year end.

W/a—Weighted Average

NA—Not Available

FIGURE NO. 31—Continued

GROSS AND NET TELEPHONE PLANT ALLOCATED TO NORTH CAROLINA OPERATIONS

For the Years Ended December 31, 1966, 1965, 1964, 1963 and 1960

(N. C. Data only unless otherwise noted)

N. C. Gross Telephone Plant (In service, under construction future use) Year End				Depreciation Reserve (Year End)			
1964		1963	1960	1966		1965	
Per Phone ¹	Total	Total	Total	Total	Per Phone ¹	Per Phone ¹	Total
\$ 535.67	\$140,228,581	\$126,469,000	\$100,548,000	\$ 44,412,865	\$ 157.37	\$ 143.50	\$ 40,499,817
386.11	29,395,442	26,500,202	19,587,940	7,256,268	78.61	73.88	6,045,605
536.17	2,841,706	2,161,000	1,140,000	526,469	88.99	66.70	394,619
324.57	13,597,069	11,851,000	9,001,000	4,038,843	91.19	79.59	3,525,174
412.17	1,099,270	959,469	780,905	409,530	139.68	125.06	354,173
354.38	3,172,463	2,788,386	1,885,871	826,047	88.76	83.01	772,529
338.82	17,750,577	16,142,577	11,664,986	4,533,640	80.89	82.39	4,617,515
317.54	3,365,612	2,962,000	2,390,000	816,064	72.43	70.12	790,044
386.76	3,314,548	3,005,000	2,288,000	1,173,283	127.96	120.21	1,102,227
357.41	3,982,959	3,625,000	2,653,000	1,442,940	120.18	109.03	1,308,988
477.77	1,142,829	1,092,000	595,000	323,406	125.79	108.44	278,802
282.14	1,416,081	1,108,092	900,365	611,285	112.55	102.06	554,270
397.05	4,024,113	2,546,728	1,766,665	**	**	37.08	388,625
474.29	8,431,927	7,638,648	4,976,875	2,600,912	138.66	121.78	2,284,150
626.05	6,920,302	6,419,387	4,466,318	1,806,935	149.38	133.85	1,619,075
293.94	13,206,890	11,500,000	8,915,000	5,161,168	108.21	96.60	4,607,439
538.29	4,182,534	3,009,967	1,929,169	1,015,224	114.43	96.88	859,549
394.95	622,841	493,523	379,234	254,010	132.50	122.37	213,291
409.78	337,501,149	307,285,000	241,385,000	87,437,422	92.33	88.95	78,495,754
451.47	1,591,427	1,567,000	1,061,000	390,892	99.41	88.01	330,048
382.14	8,019,914	6,869,548	5,106,405	1,635,445	70.11	67.39	1,532,725
498.04	7,272,343	6,846,833	7,189,949	2,030,498	117.79	130.41	2,019,926
693.90	5,635,845	4,754,452	NA	957,711	97.45	91.89	800,307
426.43W/a	618,716,422	557,594,812	430,610,682	169,660,857	101.26W/a	98.60W/a	153,394,652
195.48	54,343	50,000	44,000	13,428	126.68	58.74	17,211
235.25	166,790	157,222	99,844	20,138	67.58	72.58	53,927
278.10	233,887	209,103	159,313	62,159	76.08	96.78	88,069
280.46	199,969	184,741	146,681	89,782	77.67	123.26	91,584
298.66	14,037	13,906	13,777	44,908	56.00	195.96	9,406
209.95	89,647	86,688	55,322	42,631	89.37	83.59	37,701
550.53	737,160	580,200	391,800	182,227	118.95	103.96	145,226
82.74	29,622	NA	NA	NA	NA	50.12	18,690
309.50	140,511	138,644	125,761	40,735	81.31	85.33	39,935
321.98W/a	1,665,966	1,420,504	1,036,498	496,008	81.86W/a	92.47W/a	501,749
\$ 426.06W/a	\$620,382,388	\$559,015,316	\$431,647,180	\$170,156,865	\$ 108.99W/a	98.58W/a	\$153,896,401

FIGURE NO. 31—Continued

GROSS AND NET TELEPHONE PLANT ALLOCATED TO NORTH CAROLINA OPERATIONS
For the Years Ended December 31, 1966, 1965, 1964, 1963 and 1960
(N. C. Data only unless otherwise noted)

CLASS A & B		Depreciation Reserve (Year End)		
		1964	1963	1960
	Per Phone ¹	Total	Total	Total
Carolina Telephone and Telegraph Company.....	\$ 142.19	\$ 37,222,659	\$ 33,246,000	\$ 23,008,000
Central Telephone Company.....	70.94	5,398,820	4,977,160	3,342,060
Citizens Telephone Company.....	50.21	266,142	242,000	217,000
Concord Telephone Company.....	75.44	3,160,374	2,780,000	1,903,000
Eastern Rowan Telephone Company.....	120.75	322,049	304,378	220,455
General Telephone Company of N. C.....	78.53	703,028	588,211	356,441
General Telephone Company of the Southeast.....	80.40	4,212,062	3,870,956	2,888,113
Heins Telephone Company.....	73.84	782,584	635,000	445,000
Lee Telephone Company.....	113.35	971,419	867,000	623,000
Lexington Telephone Company.....	104.45	1,163,961	1,031,000	694,000
Mebane Home Telephone Company.....	97.70	233,692	193,000	121,000
Mooreville Telephone Company.....	96.90	486,368	425,737	291,097
**Morris Telephone Company.....	35.84	363,266	678,486	445,307
Norfolk & Carolina Telephone & Telegraph Company.....	115.22	2,048,325	1,832,212	1,551,152
North Carolina Telephone Company.....	128.75	1,422,950	1,301,263	746,404
North State Telephone Company.....	91.59	4,115,140	3,668,000	2,593,000
Oldtown Telephone System, Inc.....	92.97	722,390	593,495	307,167
Sandhill Telephone Company.....	116.18	183,218	161,098	98,527
Southern Bell Telephone & Telegraph Company.....	84.70	69,763,647	63,249,000	46,727,000
Thermal Belt Telephone Company.....	74.78	263,600	242,000	31,000
United Telephone Company of the Carolinas, Inc.....	64.57	1,355,186	1,174,682	825,005
Western Carolina Telephone Company.....	117.74	1,719,285	1,525,070	1,445,782
Westco Telephone Company.....	78.78	639,817	604,025	NA
Totals—Class A & B.....	94.78W/a	\$ 137,519,982	\$ 124,189,773	\$ 88,879,510
CLASS C & D				
Barnardsville Telephone Company.....	52.37	14,560	12,000	8,400
Cooleemee Telephone Company.....	66.19	46,926	40,446	25,394
Denton Telephone Company.....	90.61	76,209	67,220	39,917
Ellerbe Telephone Company.....	113.62	81,013	71,886	47,622
*First Colony Telephone Company.....	182.72	8,588	7,779	5,366
Lilesville Telephone Company.....	78.04	33,323	29,052	19,396
Randolph Telephone Company.....	89.76	120,190	98,900	43,300
Saluda Mountain Telephone Company.....	46.21	16,543	NA	NA
Service Telephone Company.....	78.19	35,497	29,165	14,877
Totals—Class C & D.....	83.79W/a	432,849	356,448	204,272
Grand Totals.....	\$ 94.74W/a	\$ 137,952,831	\$ 124,546,221	\$ 89,083,782

* Merger of Princess Anne Tel. Co., Appomattox Tel. Co., and Fredericksburg and Wilderness Tel. Co. with surviving Corporation (Knotts Island Telephone Co.) to form "First Colony Tel. Co."—Docket No. P-28, Sub 6.

** Morris Telephone Co. merged with Central Tel. Co. Nov. 4, 1965, Docket No. P-10, Sub 216. Data for 1965, 1964, 1963 and 1960 is shown under Morris Tel. Co.

¹ Based on number of regular telephones in service at year end.

W/a—Weighted Average

NA—Not Available

FIGURE NO. 31—Continued

GROSS AND NET TELEPHONE PLANT ALLOCATED TO NORTH CAROLINA OPERATIONS

For the Years Ended December 31, 1966, 1965, 1964, 1963 and 1960

(N. C. Data only unless otherwise noted)

N. C. Net Telephone Plant (Year End)

1966		1965		1964		1963	1960
Total	Per Phone ¹	Per Phone ¹	Total	Per Phone ¹	Total	Total	Total
\$137,343,962	\$ 445.61	\$ 413.31	\$116,648,202	\$ 393.48	\$103,005,922	\$ 93,223,000	\$ 77,540,000
33,798,767	341.00	320.45	26,221,149	314.30	23,996,622	21,523,042	16,245,880
3,438,346	513.95	504.86	2,986,785	485.95	2,575,564	1,919,000	923,000
12,460,778	265.10	255.36	11,310,070	248.13	10,436,695	9,071,000	7,098,000
1,064,757	348.64	352.77	999,043	291.42	777,221	655,091	560,450
2,940,958	316.02	295.49	2,749,897	275.85	2,469,435	2,200,175	1,529,430
21,711,551	351.45	290.78	16,296,770	258.42	13,538,515	12,271,621	8,776,873
4,936,343	407.19	423.84	4,775,354	243.70	2,583,028	2,327,000	1,945,000
2,740,841	288.93	296.57	2,630,578	273.41	2,343,129	2,138,000	1,665,000
3,551,898	278.86	255.03	3,061,853	252.96	2,818,998	2,594,000	1,959,000
1,189,178	432.58	404.24	1,039,321	380.07	909,137	899,000	474,000
1,047,496	183.09	174.79	949,267	185.24	929,713	682,355	609,268
**	**	406.44	4,259,893	361.21	3,660,847	1,868,242	1,321,358
8,718,158	431.72	361.58	6,782,180	359.07	6,383,602	5,806,436	3,425,723
6,913,988	522.20	508.95	6,156,218	497.41	5,497,352	5,118,124	3,719,914
11,693,245	232.00	224.04	10,685,427	202.35	9,091,750	7,832,000	6,322,000
3,768,184	387.11	400.80	3,555,957	445.32	3,460,144	2,416,472	1,622,002
699,550	364.92	167.41	563,422	278.77	439,623	332,425	280,707
317,845,170	335.62	330.63	291,788,399	325.08	267,737,502	244,036,000	194,658,000
1,543,496	392.54	382.25	1,433,452	376.69	1,327,827	1,325,000	1,030,000
10,073,844	431.87	362.13	8,236,316	317.56	6,664,728	5,694,866	4,281,400
8,364,196	485.19	429.60	6,654,078	380.29	5,553,058	5,321,763	5,744,167
5,894,690	599.78	596.70	5,196,714	615.12	4,996,028	4,150,427	NA
601,739,396	359.15W/a	343.88W/a	534,980,345	330.47W/a	481,196,440	433,405,039	341,731,172
84,293	795.22	139.07	40,747	143.10	39,783	38,000	35,600
43,241	145.10	172.87	128,444	169.06	119,864	116,776	74,450
164,298	201.09	175.47	159,685	187.49	157,678	141,883	119,396
348,808	301.74	175.20	130,181	166.84	118,956	112,855	99,059
563,051	702.05	1,157.81	55,575	115.94	5,449	6,127	8,411
63,681	133.50	119.10	53,714	131.91	56,324	57,636	35,926
1,003,376	654.94	590.75	825,280	460.77	616,970	481,300	348,500
NA	NA	29.31	10,932	36.53	13,079	NA	NA
135,395	270.24	231.85	108,506	231.53	105,014	109,479	110,884
2,406,143	397.11W/a	278.85W/a	1,513,064	238.69W/a	1,233,117	1,064,056	832,226
\$604,145,539	\$ 359.28W/a	\$ 343.65W/a	\$536,493,409	\$ 331.32W/a	\$482,429,557	\$434,469,095	\$342,563,398

FIGURE NO. 32

TELEPHONE COMPANIES—CLASSES A, B, C AND D
Summary of Selected Income, Expense, Balance Sheet and Customer Statistics
For the Calendar Years of 1960, 1963, 1964, 1965 and 1966
 (North Carolina Data Only Unless Otherwise Noted)

Item	Years		
	1960	1963	1964
Number of Companies Regulated.....	34	34	34
Number Included in this data.....	34	34	34
Income Items (N. C. Only):			
Local Service Revenue.....	\$ 70,625,305	\$ 89,326,036	\$ 95,224,051
Toll Service Revenue.....	53,179,613	70,341,054	77,850,719
Miscellaneous Revenue Less Uncollectibles.....	4,743,075	6,358,018	7,077,801
Total Operating Revenues.....	\$ 128,547,993	\$ 166,025,108	\$ 180,152,571
Expense Items:			
Maintenance Expense.....	\$ 19,755,479	\$ 25,417,329	\$ 28,400,518
Depreciation.....	19,050,795	25,370,198	27,553,438
Traffic.....	15,722,284	17,608,948	19,223,896
Taxes:			
State Income Taxes.....	\$ 2,062,046	\$ 2,868,923	\$ 3,243,988
State Gross Receipts Taxes.....	Not Applicable	Not Applicable	8,402,736
Federal Income Tax on N. C. Income.....	17,892,971	24,118,883	24,388,132
Local Property Taxes.....	Not Applicable	Not Applicable	5,282,222
Total Taxes.....	\$ 19,955,017	\$ 26,987,806	\$ 41,317,078
Total Operating Expenses.....	106,486,043	135,800,723	147,403,147
Net Operating Revenue.....	\$ 22,061,950	\$ 30,224,385	\$ 32,749,424
Balance Sheet Items (N. C. Only):			
Utility Plant (Gross)—Year End ¹	\$ 431,647,180	\$ 559,015,316	\$ 620,382,388
Depreciation Reserve.....	89,083,782	124,546,221	137,952,831
Utility Plant (Net)—Year End ¹	\$ 342,563,398	\$ 434,469,095	\$ 482,429,557
Balance Sheet Items (System-wide):			
Long—Term Debt.....	\$ 705,568,813	\$ 872,769,043	\$ 954,378,116
Total Capitalization.....	2,242,115,412	2,882,827,608	3,161,637,938
Long-Term Debt Per Cent of Total Capitalization (Including Southern Bell).....	30.3 ²	30.3 ²	30.2 ²
Long Term Debt Per Cent of Total Capitalization (Excluding Southern Bell).....	44.3 ²	46.6 ²	45.8 ²
Statistics (N. C. Only):			
Telephones in Service—Year End:			
Residence—Mains.....	694,189	797,978	843,459
—Extensions.....	152,432	206,406	231,986
Totals.....	846,621	1,004,384	1,075,445
Business—Mains.....	113,949	129,014	134,631
—Extensions.....	81,036	99,305	107,091
Totals.....	194,985	228,319	241,722
Coin Operated, PBX Units and Special Service.....	128,716	155,172	163,371
Grand Totals of all Telephones in Service.....	1,170,322	1,387,875	1,480,538
Annual Average Number of Calls Per Telephone			
(Class A & B Only):			
Local.....	2,367	2,306	2,143
Toll.....	55	61	56
Total Average Number of Employees.....	10,393	10,973	11,563
Total Wages and Benefits Paid Employees (Estimated).....	\$ 47,267,364	\$ 56,818,194	\$ 62,613,645
Average Annual Wages and Benefits Paid Employees.....	\$ 4,548	\$ 5,178	\$ 5,415

¹ Utility Plant includes plant in service & under construction.

² Weighted Average.

FIGURE NO. 32—Continued

TELEPHONE COMPANIES—CLASSES A, B, C AND D
Summary of Selected Income, Expense, Balance Sheet and Customer Statistics
For the Calendar Years of 1960, 1963, 1964, 1965 and 1966
 (North Carolina Data Only Unless Otherwise Noted)

		Per Cent Change More (Less)		
1965	1966	1963 to 1964	1964 to 1965	1965 to 1966
32	31			
32	31			
\$ 103,539,982	\$ 114,187,692	6.6	8.7	10.3
86,629,437	99,525,900	10.7	11.3	14.9
7,613,210	8,798,026	11.3	7.6	15.6
\$ 197,782,629	\$ 222,511,618	8.5	9.8	12.5
\$ 31,723,199	\$ 35,427,524	11.7	11.7	11.7
32,057,147	35,655,565	8.6	16.3	11.2
21,268,162	23,979,493	9.2	10.6	12.7
\$ 3,376,780	\$ 3,832,940	13.1	4.1	13.5
9,151,524	10,141,543	Not Applicable	8.9	10.8
24,278,856	28,379,928	1.1	(.4)	16.9
5,826,558	6,559,704	Not Applicable	10.3	12.6
\$ 42,633,718	\$ 48,914,115	Not Applicable	3.2	14.7
161,752,229	180,880,656	8.5	9.7	11.8
\$ 36,030,400	\$ 41,630,962	8.4	10.0	15.5
\$ 690,389,810	\$ 774,302,404	11.0	11.3	12.2
153,896,401	170,156,865	10.8	11.6	10.6
\$ 536,493,409	\$ 604,145,539	11.0	11.2	12.6
\$ 1,110,036,687	\$ 1,191,253,617	9.4	16.3	7.3
3,494,773,751	3,820,481,245	9.7	10.5	9.3
31.8 ²	31.2 ²	(.3)	5.3	(1.9)
46.4 ²	45.7 ²	(1.7)	1.3	(1.5)
891,622	945,218	5.7	5.7	6.0
262,804	300,772	12.4	13.3	14.4
1,154,426	1,245,990	7.1	7.3	7.9
140,054	142,667	4.4	4.0	1.9
115,478	119,236	7.8	7.8	3.3
255,532	261,903	5.9	5.7	2.5
178,416	201,648	5.3	9.2	13.0
1,588,374	1,709,541	6.7	7.3	7.6
2,213	2,151	(7.1)	3.3	(2.8)
64	66	(8.2)	14.3	3.1
12,324	13,530	5.4	6.6	9.8
\$ 68,423,000	\$ 74,645,061	10.2	9.3	9.1
\$ 5,552	\$ 5,517	4.6	2.5	(.6)



V. The Transportation Industry - Motor

FIGURE NO. 33

MOTOR FREIGHT CARRIERS—CLASS I & II

Vehicle Miles Operated in North Carolina
With Total Per Cent Increase 1966 Over 1965

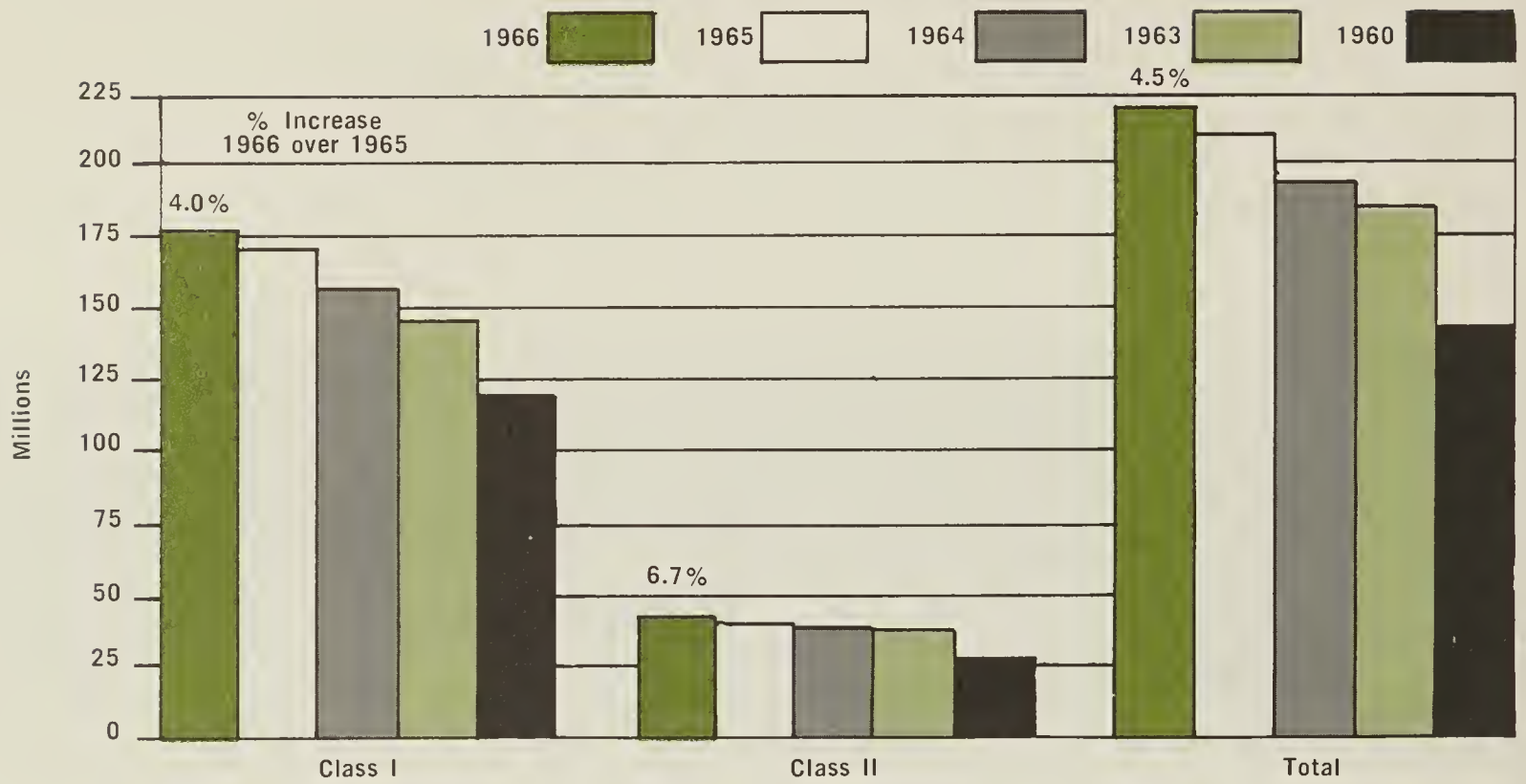
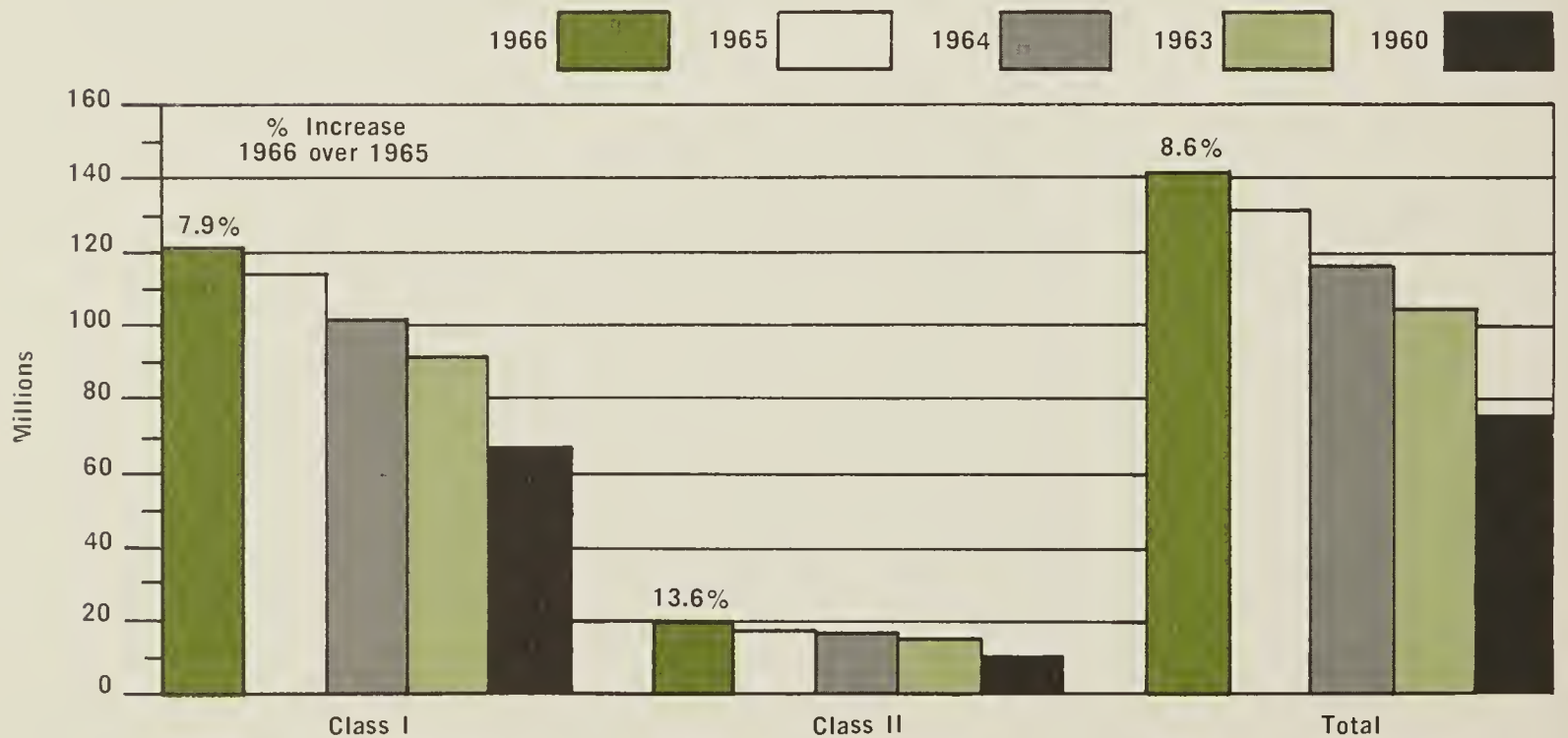


FIGURE NO. 34

MOTOR FREIGHT CARRIERS—CLASS I & II

Operating Revenues Allocated to North Carolina
With Total Per Cent Increase 1966 Over 1965



V. THE TRANSPORTATION INDUSTRY— MOTOR

There were 620 motor freight carriers, 61 motor passenger carriers, 2 boat companies, and 4 motor passenger brokers under regulation of the North Carolina Utilities Commission as of December 31, 1966. In addition, the Commission regulates the rate but not the certification or service of the 11 intracity motor carriers of passengers. Also, the Commission issues certificates of exemption to motor carriers engaged in transporting passengers or commodities which are exempted from regulation either by statute or by administrative ruling of the Commission. Certificates of exemption are also issued to persons who own equipment for the purpose of leasing it. These exemption certificates, of which there are some 7,143 outstanding, are issued pursuant to the requirements of Article 2 of the Commission's Motor Carrier Regulations. The issuance thereof constitutes approval by the Commission of the purchase from the Department of Motor Vehicles of "for hire" license plates for vehicles owned by and registered in the name of the party to whom such certificate of exemption is issued, and they are of substantial value to the Commission in determining the nature and extent of the transportation industry and in enforcing laws, rules, and regulations against illegal operations.

Motor Freight Carriers

Commission Activity—The volume of formal type Commission hearings and investigative matters for the trucking industry exceeded those of any other regulated utility group. During 1966, 46.9 per cent of the formal hearings related to the trucking industry.

The net result of the formal and informal truck proceedings before the Commission, so far as the number of franchises and permits outstanding as of December 31, 1966, was an increase of five (5) from 615 to 620 composed of the following types:

Common	518
Contract	74
Common and Contract	22
Railroad Motor	6
Total	620

The increase of five (5) in the number of franchises outstanding at year end was accompanied by many other kinds of changes during 1966 such as:

New Certificates and Permits Granted	21
Certificates and Permits Cancelled	15
Certificates and Permits Sold or Transferred	25
Certificates and Permits Purchased	21
Name Changes of Motor Freight Carriers	7
New Lease Agreements	3
Lease Agreements Canceled	1

Statistical Summary Data. Motor freight carriers are divided into groups according to annual gross revenue. These groups and the number of carriers in each are:

Class I —Motor freight carrier having \$1,000,000 or more annual operating revenues (55 carriers)

Class II —Motor freight carrier having \$200,000 to \$1,000,000 annual operating revenues (70 carriers)

Class III—Motor freight carrier having under \$200,000 annual operating revenues (495 carriers)

Fifty-five (55) Class I carriers and seventy (70) Class II carriers also operate in interstate commerce in North Carolina. Class III carriers predominately operate only in intrastate commerce.

Vehicle miles operated in North Carolina by the 178 Class I, II, and III motor freight carriers included in the statistical data totaled 232,445,978 miles, an increase over the 1965 figure for these same carriers of 9,348,476 or 4.2 per cent.

Figure No. 33 shows graphically the yearly upward trend in vehicle miles operated for the period 1960-1966 by the Class I and Class II motor freight carriers.

Operating revenues allocated to North Carolina operations for the 178 motor freight carriers of all three classes increased in 1966 over 1965 by 8.9 per cent, rising from \$134,688,158 to \$146,698,152.

System-wide data for these same carriers show an increase for 1966 over 1965 of 18.6 per cent in operating revenues, an increase of 19.0 per cent in operating expenses resulting in an increase in the operating ratio of .3 per cent or a change from 93.81 per cent to 94.12 per cent. The operating ratio is the per cent relationship of total operating expenses to total operating operating revenues, the lower the operating ratio, the more profitable the operations are.

Figure No. 34 shows graphically the yearly upward trend in operating revenues allocated to North Carolina operations of the Class I and II motor freight carriers.

Additional statistical data for all Class I, II, and for the larger Class III motor freight carriers operating in North Carolina is shown in Figure No. 35.

A list of Class I and II motor freight carriers with selected operating financial data is shown in Figure Nos. 36 and 37.

FIGURE NO. 35

MOTOR FREIGHT CARRIERS—CLASSES I, II AND III
Summary of Selected Income Items and Operational Statistics
For the Calendar Years of 1963, 1964, 1965 and 1966
 (North Carolina and Systemwide Data Noted)

Class I Carriers

Item	(\$1,000,000 or More—Operating Revenues)			
	1963	1964	1965	1966
Number of Companies Regulated ^A	54	54	55	55
Number Included in this Data: ^A				
Interstate Operator(s).....	54	54	55	55
Intrastate Operator(s).....	0	0	0	0
Operating Revenues (N. C. Portion).....	\$ 90,769,349	\$ 100,438,731	\$ 113,374,332	\$ 122,328,892
Income Items (Systemwide):				
Operating Revenues.....	\$ 422,173,555	\$ 473,858,343	\$ 523,797,690	\$ 621,259,466
Operating Expenses.....	398,721,680	448,714,633	491,843,142	585,431,788
Net Operating Revenue.....	\$ 23,451,875	\$ 25,143,710	\$ 31,954,548	\$ 35,827,678
Operating Ratio.....	94.21	94.69	93.96	94.23
Other Income or (Deductions)—Net—Including				
Income Taxes.....	(10,467,309)	(12,009,536)	(14,345,042)	(16,326,878)
Net Income—(after income taxes).....	\$ 12,984,566	\$ 13,134,174	\$ 17,609,506	\$ 19,500,800
Statistics (N. C. Data Only):				
Total Vehicle Miles Operated.....	145,117,532	156,168,174	170,629,330	177,518,436
Total Gallons Gasoline Purchased or Consumed				
in N. C.	9,193,037	10,501,283	8,721,419	8,629,823
Total Gallons Diesel Fuel Purchased or Consumed				
in N. C.	20,743,815	24,779,430	32,274,530	33,607,120
Gasoline, Other Fuel, and Oil Taxes Paid to N. C.	\$ 1,954,793	\$ 2,131,953	\$ 2,302,052	\$ 2,513,700
N. C. Vehicle License & Registration Fees.....	3,497,513	3,910,256	4,183,177	4,422,756
Real Estate and Personal Property Taxes.....	502,042	570,678	643,828	671,573
Total Operating Taxes, Other Taxes and License				
and Registration Fees Paid to N. C.	\$ 6,422,170	\$ 7,063,240	\$ 7,592,457	\$ 8,006,467
Statistics (Systemwide Data):				
Total Vehicle Miles Operated.....	691,446,194	761,126,905	825,739,109	943,680,899
Tons of Revenue Freight Hauled during year.....	21,256,470	25,435,419	27,099,947	35,301,733
Average Freight Revenue Per Ton—High-Low Range..	\$184.45–\$2.58	\$197.91–\$2.43	\$206.15–\$2.52	\$231.55–\$1.36
Average Number of Vehicles Operated Daily.....	11,246	12,171	11,749	14,024

^A These numbers change yearly from previous reports due to reclassification of carriers based on changes in gross operating revenues.

FIGURE NO. 35—Continued

MOTOR FREIGHT CARRIERS—CLASSES I, II AND III
Summary of Selected Income Items and Operational Statistics
For the Calendar Years of 1963, 1964, 1965 and 1966
 (North Carolina and Systemwide Data Noted)

Percent Change More (Less) 1965 to 1966	Class II Carriers (\$200,000 to \$1,000,000—Operating Revenues)				Percent Change More (Less) 1965 to 1966
	1963	1964	1965	1966	
	62	62	70	70	
	62	62	70	70	
	0	0	0	0	
7.9	\$ 14,381,508	\$ 15,503,201	\$ 16,997,569	\$ 19,312,992	13.6
18.6	\$ 30,683,439	\$ 32,594,675	\$ 37,120,347	\$ 43,899,816	18.3
19.0	28,986,257	30,957,231	34,386,746	40,793,439	18.6
12.1	\$ 1,697,182	\$ 1,637,444	\$ 2,733,601	\$ 3,106,377	13.6
.3	94.47	94.97	92.64	92.92	.3
13.8	(434,962)	(330,542)	(541,792)	(1,317,184)	143.1
10.7	\$ 1,262,220	\$ 1,306,902	\$ 2,191,809	\$ 1,789,193	(18.4)
4.0	37,115,970	37,936,270	40,688,382	43,395,479	6.7
(1.1)	3,055,918	3,484,643	2,972,113	2,601,582	(12.5)
4.1	3,180,480	4,641,636	5,335,941	5,800,112	8.7
9.2	\$ 405,787	\$ 386,499	\$ 529,644	\$ 550,832	4.0
5.7	636,769	661,733	778,576	840,097	7.9
4.3	90,230	109,242	116,857	152,405	30.4
5.5	\$ 1,294,349	\$ 1,369,223	\$ 1,574,994	\$ 1,697,194	7.8
14.3	71,252,104	75,684,010	80,960,720	88,684,592	9.5
30.3	6,006,207	6,295,235	8,926,937	5,657,146	(36.6)
Not Applicable	\$ 199.32-\$.45	\$ 188.68-\$.42	\$1,097.50-\$.90	\$1,272.00-\$.23	Not Applicable
19.4	1,200	1,430	1,448	1,682	16.2

FIGURE NO. 35—Continued

MOTOR FREIGHT CARRIERS—CLASSES I, II AND III
Summary of Selected Income Items and Operational Statistics
For the Calendar Years of 1963, 1964, 1965 and 1966
 (North Carolina and Systemwide Data Noted)

Item	Class III Carriers			
	(Under \$200,000—Operating Revenues)			
	1963	1964	1965	1966
Number of Companies Regulated ^A	501	503	495	495
Number Included in this Data: ^A				
Interstate Operator(s).....	10	10	10	10
Intrastate Operator(s).....	44	44	43	43
Operating Revenues (N. C. Portion).....	\$ 3,780,727	\$ 4,046,247	\$ 4,316,257	\$ 5,056,268
Income Items (Systemwide):				
Operating Revenues.....	\$ 3,780,727	\$ 4,046,247	\$ 4,316,257	\$ 5,056,268
Operating Expenses.....	3,513,491	3,757,256	4,012,557	4,580,533
Net Operating Revenue.....	267,236	288,991	303,700	475,735
Operating Ratio.....	92.93	92.85	92.96	90.59
Other Income or (Deductions)—Net—Including				
Income Taxes.....	(26,445)	(29,343)	(49,753)	(45,998)
Net Income—(After income taxes).....	\$ 240,791	\$ 259,648	\$ 253,947	\$ 429,737
Statistics (N. C. Data Only):				
Total Vehicle Miles Operated.....	10,028,861	11,416,862	11,779,790	11,532,063
Total Gallons Gasoline Purchased or Consumed				
in N. C.....	1,324,292	1,281,257	1,129,427	1,076,409
Total Gallons Diesel Fuel Purchased or Consumed				
in N. C.....	469,922	619,228	648,467	750,241
Gasoline, Other Fuel, and Oil Taxes Paid to N. C.....	\$ 94,627	\$ 142,547	\$ 145,133	\$ 181,730
N. C. Vehicle License & Registration Fees.....	152,318	176,916	179,032	197,930
Real Estate and Personal Property Taxes.....	13,768	28,239	28,951	29,120
Total Operating Taxes, Other Taxes and License				
and Registration Fees Paid to N. C.....	\$ 270,264	\$ 358,074	\$ 371,084	\$ 489,115
Statistics (Systemwide Data):				
Total Vehicle Miles Operated.....	10,028,861	11,416,862	11,779,790	11,532,063
Tons of Revenue Freight Hauled during year.....	1,007,005	1,140,409	1,190,217	1,357,378
Average Freight Revenue Per Ton—High-Low Range..	\$203.00—\$.85	\$246.82—\$1.13	\$324.58—\$.90	\$227.15—\$.86
Average Number of Vehicles Operated Daily.....	215	265	273	275

A. These numbers change yearly from previous reports due to reclassification of carriers based on changes in gross operating revenues.

FIGURE NO. 35—Continued

MOTOR FREIGHT CARRIERS—CLASSES I, II AND III
Summary of Selected Income Items and Operational Statistics
For the Calendar Years of 1963, 1964, 1965 and 1966
 (North Carolina and Systemwide Data Noted)

Percent Change More (Less) 1965 to 1966	Grand Totals				Percent Change More (Less) 1965 to 1966
	1963	1964	1965	1966	
	617	619	620	620	
	126	126	135	135	
	44	44	43	43	
17.1	\$ 108,931,584	\$ 119,988,179	\$ 134,688,158	\$ 146,698,152	8.9
17.1	\$ 456,637,721	\$ 510,499,265	\$ 565,234,294	\$ 670,215,550	18.6
14.2	431,221,428	483,429,120	530,242,445	630,805,760	19.0
14.2	25,416,293	27,070,145	34,991,849	39,409,790	12.6
(2.5)	94.43	94.70	93.81	94.12	.3
(7.5)	(10,928,716)	(12,369,421)	(14,936,587)	(17,690,060)	18.4
69.2	14,487,577	14,700,724	20,055,262	21,719,730	8.3
(2.1)	192,262,363	205,521,306	223,097,502	232,445,978	4.2
(4.7)	13,573,247	15,267,183	12,822,959	12,307,814	(4.0)
15.7	24,394,217	30,040,294	38,258,938	40,157,473	5.0
25.2	\$ 2,455,207	\$ 2,660,999	\$ 2,976,829	\$ 3,246,262	9.1
10.6	4,286,600	4,748,905	5,140,785	5,460,783	6.2
.6	606,040	708,159	789,636	853,098	8.0
31.8	\$ 7,986,783	\$ 8,790,537	\$ 9,538,535	\$ 10,192,776	6.9
(2.1)	772,727,159	848,227,777	918,479,619	1,043,897,554	13.7
14.0	28,269,682	32,871,063	37,217,101	42,316,257	13.7
Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
.7	12,661	13,866	13,470	15,981	18.6

FIGURE NO. 36

MOTOR FREIGHT CARRIERS—CLASS I

Income, Expense, Operating Ratio and Net Income Data for the Years Ended December 31, 1966, 1965, 1964, 1963 and 1960
(North Carolina and Total Systems)

Class I Motor Carriers	Operating Revenues in North Carolina				
	1966	1965	1964	1963	1960
Akers Motor Lines Inc.	6,495,264	5,576,826	4,863,984	4,336,034	3,457,596
Associated Petroleum Carriers	1,853,729	1,766,694	1,576,529	1,679,000	1,776,000
Barnes Truck Lines, Inc.	518,682	506,510	616,671	538,088	444,878
Billings Transfer Corp., Inc.	467,667	459,743	407,205	451,000	270,000
Boone, A. G. Company, The	2,539,323	2,449,332	2,355,087	2,197,257	1,920,078
Carolina Delivery Service Co., Inc.	1,134,577	1,046,816	1,038,070	982,000	745,000
Carolina Freight Carriers Corp.	7,413,626	5,911,265	4,237,774	3,757,000	2,687,000
Carolina-Norfolk Truck Line Inc.	2,230,893	2,154,983	1,893,566	1,638,728	1,092,824
Central Motor Lines Inc.	4,924,999	4,782,817	4,365,614	4,062,000	3,387,000
Colonial Motor Freight Line Inc.	988,565	872,023	750,064	1,213,264	714,969
Dewitt, L. G., Inc.	195,264	190,569	159,106	NA	145,579
Estes Express Lines ¹	50,013	10	10	10	10
Fowler, R. D., Motor Lines Inc.	558,343	428,064	383,184	370,288	304,541
Fredrickson Motor Express Corp.	4,979,494	4,539,651	4,079,663	3,605,000	2,809,000
G & H Transit Co., Inc.	661,337	647,856	678,733	648,000	603,000
Glosson Motor Lines Inc.	1,422,641	1,254,966	964,284	NA	NA
Harper Motor Lines Inc.	728,631	493,514	443,953	462,000	421,000
Helms Motor Express Inc.	3,720,608	3,241,481	2,859,535	2,768,564	1,978,383
Hennis Freight Lines Inc.	8,976,048	7,672,043	6,138,060	5,111,000	3,221,000
Home Transportation Co., Inc. ²	312,641	10	10	10	10
Hyder, Clay Trucking Lines			329,222	305,606	170,966
Johnson Motor Lines Inc.	5,071,024	4,929,729	4,341,299	4,114,000	2,310,000
McLean Trucking Company	7,875,340	7,347,111	6,629,824	6,192,271	4,887,280
Mangum Trucking Company	184,646	232,799	174,965	144,773	104,880
Miller Motor Express			1,787,132	1,841,000	1,930,438
Mitchell Transport Inc. ¹¹	183,880	103,415	89,206	11,496	0
Morgan Drive Away Inc.	363,490	278,043	233,831	124,825	27,297
Moss Trucking Co., Inc.	584,122	477,281	370,094	335,769	179,286
National Trailer Convoy Inc.	304,155	247,083	136,443	150,199	64,651
New Dixie Lines Inc., The	3,334,968	3,337,143	3,157,982	2,728,814	2,202,316
Northeastern Trucking Co. ⁵	579,294	452,676	405,242	395,289	251,552
North State Motor Lines Inc.	335,953	376,645	371,865	385,385	387,340E
O'Boyle Tank Lines Inc.	519,976	582,708	530,210	455,286	290,900
Observer Transportation Co., The	913,797	963,324	864,621	838,000	645,000
Old Dominion Freight Line ¹¹	3,363,196	3,202,333	2,504,171	2,509,000	0
Overnite Transportation Co.	13,789,650	12,230,163	10,252,548	8,800,893	6,739,912
Petroleum Carrier Corp.	45,259	94,974	101,227	89,900	100,905
Pilot Freight Carriers Inc.	7,327,274	6,687,138	6,359,477	5,662,195	4,159,730
R. C. Motor Lines Inc.	3,002,085	2,841,765	1,713,931	1,456,397	842,491
Redwing Carriers Inc. ³	Not Appl.	10	10	10	10
Ryder Truck Lines Inc. ⁸	5,124,434	5,209,112	5,215,310	4,468,367	3,468,882
S. & W. Motor Lines Inc.	930,371	840,956	951,536	722,432	497,254
Seacoast Transportation Co. ⁹	43,558	47,459	29,464	46,000	0
Shamrock Van Lines Inc.	701,665	282,827	167,258	134,553	86,086
Southern Express Inc. ⁴	34,507	749,555	495,321	207,000	NA
Standard Trucking Co.	3,550,935	2,946,978	2,538,540	2,379,137	1,504,344
Superior Trucking Co. ⁹	36,977	31,678	19,530E	17,000	0
Tallant Transfer Inc.	417,491	439,324	393,112	379,319	446,283
Tennessee-Carolina Transportation Co.	2,705,370	2,402,497	2,114,013	1,874,896	1,513,304
Textile Motor Freight Inc.	306,533	313,653	268,208	260,615	181,192
Thurston Motor Lines Inc.	7,574,057	6,704,091	5,458,676	5,299,000	3,853,000
Transit Homes Inc.	289,532	21,059	14,543	4,011	3,004E
Transport Corp., The ⁶	1,564,680	1,485,437	1,518,138	1,508,000	1,527,000
Vance Trucking Co., The	708,302	661,812	656,277	598,560	487,224
Wilko Corporation ⁷	339,692	430,284	321,731	262,181	148,109
Yeary Transfer Co., Inc.	NA	187,711	220,928	2,446	2,271
Youngblood Truck Lines, Inc.	50,334	2,240,416	1,891,774	1,844,511	1,532,577
Totals	\$122,328,892	\$113,374,332	\$100,438,731	\$ 90,769,349	\$ 66,523,322
Adjusted Totals (1966-1965) ¹²	\$121,966,238	\$113,186,621			

Deficits or decreases shown in bold type.

E—Estimated

Not Appl—Not Applicable

NA—Not Available.

¹ Bought Coastal Freight Lines Inc. 2-16-66.² A portion of Lowther Trucking Company's Certificate was bought 6-30-65.³ Redwing Carriers additional Authority granted in 3-7-66.⁴ Southern Express lease agreement cancelled by Gastonia Motor Express 8-30-66—filed 1966 report.⁵ Northeastern Trucking Co. leased G.V. Trucking Co. (A Class III Carrier previous to 1966)⁶ Now called Epes Transport System, Inc.—Change in corporate name took place 1-17-67—Docket No. T-688, Sub. 1.⁷ Wilko Corporation—Now called Hally Farm Poultry Industries, Inc.⁸ Leased to Chemical Leaman.⁹ Began operations in 1963.¹⁰ Report for the year 1965 was not filed—Authority granted during 1966.¹¹ Began operations in 1962.¹² Adjusted totals (1966-1965) excludes data of companies not having data for both years 1966-1965.

FIGURE NO. 36—Continued

MOTOR FREIGHT CARRIERS—CLASS I

Income, Expense, Operating Ratio and Net Income Data for the Years Ended December 31, 1966, 1965, 1964, 1963 and 1960
(North Carolina and Total Systems)

Total Operating Revenues					Total Operating Expenses	
1966	1965	1964	1963	1960	1966	1965
\$ 31,259,240	\$ 28,766,543	\$ 25,518,256	\$ 23,318,657	\$ 18,481,815	\$ 29,442,011	\$ 26,104,611
7,942,316	7,411,332	7,659,637	7,810,000	6,505,000	7,918,966	7,402,603
1,485,770	1,516,770	1,735,636	1,434,520	1,132,870	1,375,219	1,340,832
1,661,930	1,606,369	1,409,013	1,257,000	1,043,000	1,517,589	1,389,850
4,768,884	4,532,247	4,473,100	3,835,323	3,421,013	4,415,454	4,189,904
1,624,770	1,442,491	1,346,960	1,263,000	941,000	1,607,694	1,466,590
36,147,620	29,881,021	24,678,582	22,090,000	15,730,000	33,569,578	27,807,329
2,653,929	2,536,169	2,239,316	1,956,457	1,382,064	2,712,647	2,422,097
19,248,202	18,629,901	16,869,004	15,799,000	12,668,000	18,975,103	18,060,161
3,730,434	3,474,195	3,083,384	2,872,991	1,636,304	3,319,517	3,020,310
1,664,772	1,706,645	1,658,488	1,592,186	1,070,101	1,623,209	1,681,031
3,356,584	10	10	10	10	3,136,906	10
1,298,471	1,151,966	1,057,607	1,002,771	793,386	1,266,205	1,103,552
4,979,494	4,539,651	4,079,663	3,605,000	2,809,000	4,716,962	4,231,988
1,143,391	1,113,154	1,163,010	1,113,000	952,000	1,126,547	1,095,258
5,807,787	4,971,349	4,152,816	NA	NA	4,633,037	4,343,090
8,612,657	7,020,113	6,106,640	5,296,000	3,860,000	8,617,202	6,545,097
3,720,608	3,241,481	2,859,535	2,768,564	1,978,383	3,731,068	3,159,904
56,453,129	50,943,183	44,582,075	36,507,000	20,839,000	54,278,819	48,755,673
5,409,021	10	10	10	10	5,072,928	10
30,548,094	28,038,363	2,815,259	3,150,586	2,586,471	28,706,443	26,014,354
88,887,804	69,078,153	24,890,864	23,910,000	10,082,000	81,748,952	65,007,134
1,032,586	1,169,079	59,369,806	53,966,538	34,566,374	982,174	1,096,246
11,206,031	10,240,392	1,029,205	965,153	873,858	10,485,478	9,472,653
14,164,157	13,701,095	6,248,715	6,267,000	6,661,000	13,134,114	12,503,522
1,964,095	1,534,665	7,058,313	6,153,995	0	1,862,901	1,514,516
12,340,083	12,847,404	12,338,212	10,837,113	5,632,849	11,568,548	11,941,446
7,254,378	7,024,055	1,289,527	1,095,851	582,067	7,140,411	6,804,876
3,117,834	2,566,917	11,088,791	10,114,053	5,444,522	3,050,149	2,488,469
941,046	999,119	6,270,636	5,249,739	4,112,634	926,987	974,798
6,333,450	5,838,177	2,277,919	2,156,464	1,433,347	6,184,573	5,654,103
1,287,488	1,227,791	1,040,438	1,111,715	1,117,220	1,167,482	1,104,502
5,089,582	4,825,698	5,443,034	5,214,598	871,088	4,921,064	4,628,578
35,421,655	30,667,410	1,181,177	1,156,000	1,024,000	31,515,868	26,537,173
2,879,558	2,813,001	4,354,323	4,019,000	0	2,729,037	2,646,579
26,150,156	23,942,492	23,667,008	20,929,591	15,345,884	24,435,853	23,104,131
17,067,346	16,759,742	3,794,053	89,900	100,905	16,645,749	16,429,607
7,220,945	10	22,519,393	20,164,512	15,697,096	5,543,532	10
70,081,374	48,547,182	15,264,571	13,401,032	10,041,609	68,530,567	46,721,743
3,684,512	3,265,806	50,602,574	48,529,135	32,572,351	3,428,745	3,061,442
1,777,851	1,645,019	3,052,780	2,761,592	1,819,442	1,786,254	1,682,931
6,632,935	4,654,830	1,423,145	1,295,000	0	6,591,386	4,568,752
880,982	1,958,002	3,305,510	2,491,732	1,459,097	859,849	1,827,698
6,767,322	5,793,468	1,428,462	872,000	NA	6,616,657	5,394,238
8,106,807	7,044,039	5,076,653	4,355,146	2,873,079	7,128,189	6,142,242
2,895,228	2,871,433	5,425,025	4,626,000	0	2,804,823	2,786,301
5,774,847	5,138,338	2,692,549	2,544,618	2,716,271	5,285,648	4,723,882
1,886,102	1,891,159	4,542,729	4,216,953	3,459,916	1,809,444	1,860,986
15,232,714	13,549,094	1,631,412	1,610,351	1,279,280	14,099,793	12,454,733
6,130,260	5,330,223	11,424,604	9,488,000	6,539,000	5,537,215	4,792,334
3,164,946	3,190,440	3,608,491	3,039,517	1,001,253	3,174,089	3,082,350
1,816,064	1,673,299	3,152,800	3,225,000	3,058,000	1,791,470	1,610,902
1,651,715	1,400,209	1,578,009	1,419,006	1,172,762	1,611,433	1,271,264
1,132,851	1,041,682	1,257,744	1,213,802	769,797	1,127,396	1,012,614
7,767,659	7,045,334	1,172,031	1,299,064	1,453,099	7,442,854	6,806,163
\$ 621,259,466	\$ 523,797,690	5,869,859	5,712,330	4,686,109	\$ 585,431,788	\$ 491,843,142
\$ 605,272,916	\$ 523,797,690	\$ 473,858,343	\$ 422,173,555	\$ 276,275,316	\$ 571,678,422	\$ 491,843,142

FIGURE NO. 36—Continued

MOTOR FREIGHT CARRIERS—CLASS I

Income, Expense, Operating Ratio and Net Income Data for the Years Ended December 31, 1966, 1965, 1964, 1963 and 1960
(North Carolina and Total Systems)

Class I Motor Carriers	Total Operating Expenses			Net Operating Revenue Total System	
	1964	1963	1960	1966	1965
Akers Motor Lines Inc.-----	\$ 23,116,797	\$ 21,322,670	\$ 17,911,333	\$ 1,817,229	\$ 2,661,932
Associated Petroleum Carriers-----	7,660,299	7,799,000	6,472,000	23,350	8,729
Barnes Truck Lines, Inc.-----	1,494,379	1,242,656	1,048,899	110,551	175,938
Billings Transfer Corp., Inc.-----	1,243,050	1,220,000	966,000	144,341	216,519
Boone, A. G. Company, The-----	4,026,590	3,561,497	2,945,813	353,430	342,343
Carolina Delivery Service Co., Inc.-----	1,313,926	1,231,000	919,000	17,076	24,099
Carolina Freight Carriers Corp.-----	22,944,993	20,242,000	15,370,000	2,578,042	2,073,692
Carolina-Norfolk Truck Line Inc.-----	2,137,472	1,847,783	1,327,174	58,718	114,072
Central Motor Lines Inc.-----	15,739,528	14,505,000	11,934,000	273,099	569,740
Colonial Motor Freight Line Inc.-----	2,899,051	2,602,747	1,547,432	410,917	453,885
Dewitt, L. G., Inc.-----	1,612,214	1,535,134	1,048,678	41,563	25,614
Estes Express Lines ¹ -----	10	10	10	219,678	10
Fowler, R. D., Motor Lines Inc.-----	1,051,128	953,979	807,678	32,266	48,414
Fredrickson Motor Express Corp.-----	3,779,510	3,346,000	2,600,000	262,532	307,663
G. & H. Transit Co., Inc.-----	1,062,274	1,007,000	857,000	16,844	17,896
Glosson Motor Lines Inc.-----	3,795,611	NA	NA	1,174,750	628,259
Harper Motor Lines Inc.-----	5,749,019	5,017,000	3,813,000	4,545	475,016
Helms Motor Express Inc.-----	2,782,699	2,748,462	1,975,698	10,460	81,577
Hennis Freight Lines Inc.-----	43,167,560	35,190,000	19,612,000	2,174,310	2,187,510
Home Transportation Co., Inc. ² -----	10	10	10	336,093	10
Hyder, Clay Trucking Lines-----	2,894,579	3,212,330	2,528,447		
Johnson Motor Lines Inc.-----	23,607,505	22,695,000	10,657,000	1,841,651	2,024,009
McLean Trucking Company-----	56,877,888	51,331,212	34,114,358	7,138,852	4,071,019
Mangum Trucking Company-----	1,012,374	887,019	879,704	50,412	72,833
Miller Motor Express-----	6,501,118	6,579,000	6,879,000		
Mitchell Transport Inc. ¹¹ -----	6,638,654	5,475,430	0	720,553	767,739
Morgan Drive Away Inc.-----	11,905,845	10,209,701	5,307,630	1,030,043	1,197,573
Moss Trucking Co., Inc.-----	1,332,539	1,097,745	569,102	101,194	20,149
National Trailer Convoy Inc.-----	10,219,743	9,188,990	5,294,173	771,535	905,958
New Dixie Lines Inc., The-----	5,874,944	4,958,868	3,996,462	113,967	219,179
Northeastern Trucking Co. ⁵ -----	2,214,856	2,075,392	1,406,344	67,685	78,448
North State Motor Lines Inc.-----	1,001,490	1,077,943	1,098,417	14,059	24,321
O'Boyle Tank Lines Inc.-----	5,292,590	5,090,779	835,830	148,877	184,074
Observer Transportation Co., The-----	1,044,411	1,047,000	1,002,000	120,006	123,289
Old Dominion Freight Line ¹¹ -----	4,102,068	3,794,000	0	168,518	197,120
Overnite Transportation Co.-----	19,404,222	17,338,928	13,990,358	3,905,787	4,130,237
Petroleum Carrier Corp.-----	3,545,908	80,795	79,285	150,521	166,422
Pilot Freight Carriers Inc.-----	21,969,355	19,706,500	15,295,911	1,714,303	838,361
R. C. Motor Lines Inc.-----	14,728,172	12,858,055	9,848,494	421,597	330,135
Redwing Carriers Inc. ³ -----	10	10	10	1,677,413	10
Ryder Truck Lines Inc. ⁸ -----	49,293,333	46,840,572	30,911,287	1,550,807	1,825,439
S & W Motor Lines Inc.-----	2,851,973	2,678,896	1,757,920	255,767	204,364
Seacoast Transportation Co. ⁹ -----	1,403,349	1,276,000	0	8,403	37,912
Shamrock Van Lines Inc.-----	3,224,605	2,457,999	1,451,276	41,549	86,078
Southern Express Inc. ⁴ -----	1,328,765	897,000	NA	21,133	130,304
Standard Trucking Co.-----	4,825,356	4,045,955	2,860,749	150,665	399,230
Superior Trucking Co. ⁹ -----	5,053,427	4,201,000	0	978,618	901,797
Tallant Transfer Inc.-----	2,678,300	2,518,719	2,702,031	90,405	85,132
Tennessee-Carolina Transportation Co.-----	4,168,101	3,851,163	3,315,547	489,199	414,456
Textile Motor Freight Inc.-----	1,670,879	1,611,923	1,303,916	76,658	30,173
Thurston Motor Lines Inc.-----	10,428,387	8,841,000	6,062,000	1,132,921	1,094,361
Transit Homes Inc.-----	3,510,262	2,952,326	991,987	593,045	537,889
Transport Corp., The ⁶ -----	3,093,773	3,121,000	2,949,000	9,143	108,090
Vance Trucking Co., The-----	1,516,092	1,393,978	1,156,637	24,594	62,397
Wilko Corporation ⁷ -----	1,146,183	1,122,489	667,448	40,282	128,945
Yeary Transfer Co., Inc.-----	1,091,125	1,242,042	1,467,717	5,455	29,068
Youngblood Truck Lines, Inc.-----	5,686,362	5,593,003	4,602,193	324,805	239,171
Totals-----	\$448,714,633	\$398,721,680	\$267,137,928	\$ 35,827,678	\$ 31,954,548
Adjusted Totals (1966-1965) ¹² -----				\$ 33,594,494	\$ 31,954,548

Deficits or decreases shown in bold type.

E—Estimated

Not Appl.—Not Applicable

NA—Not Available.

¹ Bought Coastal Freight Lines Inc. 2-16-66.² A portion of Lowther Trucking Company's Certificate was bought 6-30-65.³ Redwing Carriers additional Authority granted in 3-7-66.⁴ Southern Express lease agreement cancelled by Gastonia Motor Express 8-30-66—filed 1966 report.⁵ Northeastern Trucking Co. leased G.V. Trucking Co. (A Class III Carrier previous to 1966)⁶ Now called Epes Transport System, Inc.—Change in corporate name took place 1-17-67—Docket No. T-688, Sub. 1.⁷ Wilko Corporation—Now called Hally Farm Poultry Industries, Inc.⁸ Leased to Chemical Leaman.⁹ Began operations in 1963.¹⁰ Report for the year 1965 was not filed—Authority granted during 1966.¹¹ Began operations in 1962.¹² Adjusted totals (1966-1965) excludes data of companies not having data for both years 1966-1965.

FIGURE NO. 36—Continued

MOTOR FREIGHT CARRIERS—CLASS I

Income, Expense, Operating Ratio and Net Income Data for the Years Ended December 31, 1966, 1965, 1964, 1963 and 1960
(North Carolina and Total Systems)

Net Operating Revenue Total System			Operating Ratio Total System				
1964	1963	1960	1966	1965	1964	1963	1960
\$ 2,401,459	\$ 1,995,987	\$ 570,482	94.2	90.7	90.5	91.4	96.9
662	11,000	33,000	99.7	99.8	100.0	99.9	99.5
241,257	191,864	83,971	92.6	88.4	86.1	86.6	92.5
165,963	37,000	77,000	91.3	86.5	88.2	97.1	92.7
446,510	273,826	475,200	92.5	92.4	90.0	92.9	86.1
33,034	32,000	22,000	98.9	101.7	97.5	97.4	97.6
1,733,589	1,848,000	360,000	92.9	93.1	92.9	91.5	97.7
101,844	108,674	54,890	102.2	95.5	95.5	94.4	96.0
1,129,476	1,294,000	734,000	98.6	96.9	93.3	91.8	94.2
184,333	270,244	88,872	89.0	86.9	94.0	90.5	94.6
46,274	57,052	21,423	97.5	98.5	97.2	96.4	98.0
10	10	10	93.5	10	10	10	10
6,479	48,792	14,292	97.5	95.7	99.3	95.1	101.8
300,153	259,000	209,000	94.7	93.2	92.6	92.8	92.6
100,736	106,000	95,000	98.5	98.4	91.3	90.4	90.0
357,205	NA	NA	79.8	87.4	91.4	NA	NA
357,621	279,000	47,000	100.1	93.2	94.1	94.7	98.8
76,836	20,102	2,685	100.3	97.5	97.3	99.2	99.8
1,414,515	1,317,000	1,227,000	96.1	95.7	96.8	96.4	94.1
10	10	10	93.8	10	10	10	10
79,320	61,744	58,024			102.8	102.0	97.8
1,283,359	1,215,000	575,000	94.0	92.8	94.8	94.9	105.6
2,491,918	2,635,326	452,016	92.0	94.1	95.8	95.1	98.6
16,831	78,134	5,846	95.1	93.8	98.4	91.9	100.6
252,403	312,000	218,000			104.0	104.9	101.7
419,659	678,565	0	93.6	92.5	94.1	97.9	—
432,367	627,412	325,219	92.7	91.2	93.3	94.2	94.2
43,012	1,894	12,965	94.8	98.7	103.3	100.1	97.8
869,048	925,063	150,349	93.7	92.9	92.2	90.8	97.2
395,692	290,871	116,172	98.4	96.9	93.7	94.5	97.2
63,063	81,072	27,003	97.8	96.9	97.2	96.2	98.0
38,948	33,772	18,803	98.5	97.6	96.3	96.9	98.3
150,444	123,819	35,258	97.6	96.8	97.2	97.6	95.9
136,766	109,000	22,000	90.7	90.0	88.4	90.0	98.0
252,255	225,000	0	96.7	95.9	94.2	94.4	0
4,262,786	3,590,663	1,355,526	89.0	86.5	81.9	82.8	91.2
248,145	9,105	21,620	94.8	94.1	85.5	89.8	78.5
550,038	458,012	401,185	93.4	96.5	97.5	97.5	97.4
536,399	542,977	193,115	97.5	98.0	96.4	95.9	98.0
10	10	10	76.8	10	10	10	10
1,309,241	1,688,563	1,661,064	97.8	96.2	97.4	96.5	94.9
200,807	82,696	61,522	93.1	93.7	93.4	97.0	96.6
19,796	19,000	0	100.5	102.3	98.6	98.6	0
80,905	33,733	7,821	99.4	98.2	97.5	98.6	99.5
99,697	25,000	NA	97.6	93.3	99.7	102.9	NA
251,297	309,191	12,330	97.8	93.1	95.0	92.9	99.6
371,598	425,000	0	87.9	87.2	93.1	90.8	0
14,249	25,899	14,240	96.9	97.0	99.4	99.0	99.4
374,628	365,790	144,369	91.5	91.9	91.8	91.3	95.8
39,467	1,572	24,636	95.9	98.4	102.4	100.1	101.9
996,217	647,000	477,000	92.6	91.9	91.3	93.2	92.7
98,229	87,191	9,266	90.3	89.9	97.2	97.1	99.0
59,027	104,000	109,000	100.3	96.6	98.1	96.7	96.4
61,917	25,028	16,125	98.6	96.3	96.1	98.2	98.6
111,561	91,313	102,349	97.6	90.8	91.1	92.4	86.7
80,906	57,022	14,618	99.5	97.2	93.1	95.6	101.0
183,497	119,327	83,916	95.8	96.6	96.8	97.9	98.2
\$ 25,143,710	\$ 23,451,875	\$ 9,137,388	94.2W/a 94.4W/a	93.9W/a 93.9W/a	94.6W/a	94.2W/a	96.6W/a

FIGURE NO. 36—Continued

MOTOR FREIGHT CARRIERS—CLASS I

Income, Expense, Operating Ratio and Net Income Data for the Years Ended December 31, 1966, 1965, 1964, 1963 and 1960
(North Carolina and Total Systems)

Class I Motor Carriers	Total System Other Income or (Deductions)— Net—Including Income Taxes		
	1966	1965	1964
Akers Motor Lines Inc.	\$ 735,837	\$ 595,994	\$ 819,395
Associated Petroleum Carriers	12,462	630	17,688
Barnes Truck Lines Inc.	71,022	75,488	96,707
Billings Transfer Corp., Inc.	71,483	80,903	57,531
Boone, A. G. Company, The	138,902	103,515	161,892
Carolina Delivery Service Co., Inc.	9,423	3,887	6,664
Carolina Freight Carriers Corp.	1,144,648	991,202	815,322
Carolina-Norfolk Truck Line Inc.	40,371	57,686	51,465
Central Motor Lines Inc.	97,691	330,608	485,631
Colonial Motor Freight Line Inc.	149,874	177,465	52,530
Dewitt, L. G., Inc.	2,412	21,021	26,265
Estes Express Lines ¹	101,312	10	10
Fowler, R. D., Motor Lines Inc.	43,768	20,995	0
Fredrickson Motor Express Corp.	56,654	144,140	145,343
G. & H. Transit Co., Inc.	4,483	9,664	49,659
Glosson Motor Lines Inc.	229,679	229,546	253,858
Harper Motor Lines Inc.	41,024	221,772	138,156
Helms Motor Express Inc.	7,665	25,981	28,014
Hennis Freight Lines Inc.	1,268,126	1,069,088	813,531
Home Transportation Co., Inc. ²	175,516	10	10
Hyder, Clay Trucking Lines			93,294
Johnson Motor Lines Inc.	825,601	958,183	463,902
McLean Trucking Company	2,823,633	1,822,786	1,447,293
Mangum Trucking Company	25,508	21,571	25,395
Miller Motor Express			181,640
Mitchell Transport Inc. ¹¹	276,759	293,802	187,636
Morgan Drive Away Inc.	474,910	581,261	0
Moss Trucking Co., Inc.	46,721	25,972	12,744
National Trailer Convoy Inc.	376,012	434,436	379,549
New Dixie Lines Inc., The	101,059	28,450	185,344
Northeastern Trucking Co. ⁵	27,731	26,261	20,037
North State Motor Lines Inc.	16,408	22,048	22,327
O'Boyle Tank Lines Inc.	146,140	147,664	113,512
Observer Transportation Co., The	59,557	58,197	67,718
Old Dominion Freight Line ¹¹	89,346	82,262	66,089
Overnite Transportation Co.	1,567,189	1,766,973	2,048,284
Petroleum Carrier Corp.	63,315	104,621	62,459
Pilot Freight Carriers Inc.	709,716	507,251	389,611
R. C. Motor Lines Inc.	254,648	177,472	226,701
Redwing Carriers Inc. ³	724,518	10	10
Ryder Truck Lines Inc. ⁸	1,317,747	1,078,137	1,201,409
S & W Motor Lines Inc.	281,860	129,908	112,954
Seacoast Transportation Co. ⁹	48,169	56,158	44,909
Shamrock Van Lines Inc.	229,739	75,948	64,415
Southern Express Inc. ⁴	53,979	60,901	32,906
Standard Trucking Co.	83,750	180,227	94,618
Superior Trucking Co. ⁹	427,317	434,173	30,195
Tallant Transfer Inc.	36,275	33,368	23,922
Tennessee-Carolina Transportation Co.	135,114	216,370	190,854
Textile Motor Freight Inc.	12,018	12,917	23,511
Thurston Motor Lines Inc.	389,976	496,613	409,289
Transit Homes Inc.	229,623	189,221	36,773
Transport Corp., The ⁶	6,552	44,040	2,290
Vance Trucking Co., The	13,416	7,676	16,106
Wilko Corporation ⁷	23,265	70,920	23,575
Yeary Transfer Co., Inc.	38,541	24,918	16,675
Youngblood Truck Lines, Inc.	161,834	128,328	212,745
Totals	\$ 16,326,878	\$ 14,345,042	\$ 12,009,536
Adjusted Totals (1966-1965) ¹²	\$ 15,325,532	\$ 14,345,042	

Deficits or decreases shown in bold type.

E—Estimated

Not Appl.—Not Applicable

NA—Not Available.

¹ Bought Coastal Freight Lines Inc. 2-16-66.² A portion of Lowther Trucking Company's Certificate was bought 6-30-65.³ Redwing Carriers additional Authority granted in 3-7-66.⁴ Southern Express lease agreement cancelled by Gastonia Motor Express 8-30-66—filed 1966 report.⁵ Northeastern Trucking Co. leased G.V. Trucking Co. (A Class III Carrier previous to 1966)⁶ Now called Epes Transport System, Inc.—Change in corporate name took place 1-17-67—Docket No. T-688, Sub. 1.⁷ Wilko Corporation—Now called Hally Farm Poultry Industries, Inc.⁸ Leased to Chemical Leaman.⁹ Began operations in 1963.¹⁰ Report for the year 1965 was not filed—Authority granted during 1966.¹¹ Began operations in 1962.¹² Adjusted totals (1966-1965) excludes data of companies not having data for both years 1966-1965.

FIGURE NO. 36—Continued

MOTOR FREIGHT CARRIERS—CLASS I

Income, Expense, Operating Ratio and Net Income Data for the Years Ended December 31, 1966, 1965, 1964, 1963 and 1960
(North Carolina and Total Systems)

Total System Other Income or (Deductions)— Net—Including Income Taxes		Total System Net Income After Taxes				
1963	1960	1966	1965	1964	1963	1960
\$ 834,207	\$ 407,109	\$ 1,081,392	\$ 2,065,938	\$ 1,582,064	\$ 1,161,780	\$ 163,373
7,871	28,493	10,888	9,359	18,350	18,871	4,507
94,479	48,910	39,529	100,450	144,550	97,385	35,061
25,852	30,156	72,858	135,616	108,432	11,148	46,844
72,891	244,306	214,528	238,828	284,618	200,935	230,894
6,907	8,660	7,653	27,986	26,370	25,093	13,340
772,793	256,847	1,433,394	1,082,490	918,267	1,075,207	103,153
56,909	30,463	99,089	56,386	50,379	51,765	24,427
308,051	341,224	175,408	239,132	643,845	985,949	392,776
119,736	52,105	261,043	276,420	131,803	150,508	36,767
24,932	19,944	39,151	4,593	20,009	32,120	1,479
10	10	118,366	10	10	10	10
18,535	13,238	11,502	27,419	6,479	30,257	27,530
132,607	107,484	205,878	163,523	154,810	126,393	101,516
59,513	27,741	12,361	8,232	51,077	46,487	67,259
NA	NA	945,071	398,713	103,347	NA	NA
72,331	34,148	45,569	253,244	219,465	206,669	12,852
18,785	17,345	18,125	55,596	48,822	1,317	14,660
96,476	742,174	906,184	1,118,422	600,984	1,220,524	484,826
10	10	160,577	10	10	10	10
49,048	27,792			172,614	110,792	30,232
419,029	17,901	1,016,050	1,065,826	819,457	795,971	557,099
1,323,604	636,259	4,315,219	2,248,233	1,044,625	1,311,722	184,243
29,739	10,620	24,904	51,262	8,564	48,395	16,466
132,050	90,990			434,043	444,050	308,990
35,923	0	443,794	473,937	232,023	642,642	0
360,147	255,392	555,133	616,312	432,367	267,265	69,827
25,965	3,634	54,473	5,823	30,268	27,859	9,331
535,322	59,497	395,523	471,522	489,499	389,741	90,852
158,718	66,645	12,908	190,729	210,348	132,153	49,527
7,417	11,024	39,954	52,187	43,026	73,655	15,979
17,660	17,331	2,349	2,273	16,621	16,112	1,472
74,394	18,573	2,737	36,410	36,932	49,425	16,685
54,662	8,722	60,449	65,092	69,048	54,338	13,278
64,114	0	79,172	114,858	186,166	160,886	0
1,731,310	824,881	2,338,598	2,363,264	2,214,502	1,859,353	530,645
3,062	7,691	87,206	61,801	185,686	6,043	13,929
287,965	274,818	1,004,587	331,110	160,427	170,047	126,367
215,115	123,118	166,949	152,663	309,698	327,862	69,997
10	10	952,895	10	10	10	10
1,035,264	914,040	233,060	747,302	107,832	653,299	747,024
67,209	199,479	26,093	74,456	87,853	15,487	137,957
37,185	0	39,766	18,246	64,705	56,185	0
17,117	7,726	188,190	10,130	16,490	16,616	95
17,000	NA	32,846	69,403	66,791	42,000	NA
124,040	14,914	66,915	219,003	156,679	185,151	2,584
241,165	0	551,301	467,624	341,403	183,835	0
13,236	11,954	54,130	51,764	9,673	12,663	2,286
333,235	79,409	354,085	198,086	183,774	32,555	64,960
15,471	7,892	64,640	17,256	62,978	17,043	32,528
153,965	310,493	742,945	597,748	586,928	493,035	166,507
50,978	1,497	363,422	348,668	61,456	36,213	7,769
45,043	50,839	15,695	64,050	56,737	58,957	58,161
10,721	3,550	11,178	54,721	45,811	14,307	12,575
70,768	68,444	17,017	58,025	87,986	20,545	33,905
22,466	18,519	43,996	4,150	64,231	34,556	33,137
54,439	86,327	162,971	110,843	396,242	64,888	2,411
\$ 10,467,309	\$ 6,604,516	\$ 19,500,800	\$ 17,609,506	\$ 13,134,174	\$ 12,984,566	\$ 2,532,872
		\$ 18,268,962	\$ 17,609,506			

MOTOR FREIGHT CARRIERS—CLASS II

Income, Expense, Operating Ratio, and Net Income Data for the Years Ended December 31, 1966, 1965, 1964, 1963 and 1960

Operating Revenues in North Carolina

Motor Freight Carriers—Class II	1966	1965	1964	1963	1960
Anderson Truck Line Inc.	138,229	137,669	125,911	109,469	65,833
B & P Motor Lines Inc.	144,430	162,801	147,047	No Breakdown	No Breakdown
*B & W Transport			19,403	16,884	0
Barnett Truck Lines Inc.	224,294	250,289			
Billings Trucking Corp.	54,141	47,339	47,968	45,231	38,956
Blair Transit Company	101,632	121,641	86,203	96,940	76,162
Blue Ridge Trucking Co.	612,441	580,290	566,190	NA	NA
Burton Lines Inc.	616,048	305,090	281,822	262,223	224,289
Byrd Motor Line Inc.	229,975	186,479	109,474	91,000	0
Cargocare Transportation Co., Inc.	222,730	196,255	301,313	319,091	170,684
Carolina Asphalt & Petroleum Co.	392,926	350,391	305,040	271,000	237,000
Carolina Carriers Inc.	242,145	230,284	224,075	211,600	236,400
Carolina Transfer & Storage Co.	170,871	158,462	161,575	134,458	125,751
Carroll's Transfer	299,792	267,044	181,639	427,945	337,530
Central Transport Inc.	598,428	429,033			
Charlotte Van & Storage Co., Inc.	698,381	511,876	373,085	363,347	176,832
Citizens Express Inc.	303,120	287,835	278,499	252,388	219,523
Claremont Motor Lines Inc.	145,444	128,452	104,632	90,000	6,000
Clay's Transfer Co., Inc.	71,232	77,616	96,932	106,113	117,753
Comer, A. F., Transport Service Inc.	658,780	91,682	101,020	135,000	108,000
Cope Trucking Co.	116,982	100,930	85,882	80,775	51,673E
Cromartie Transport Co.	273,835	279,729	259,585	290,000	274,000
Durham Transfer & Storage Inc.	79,523	67,886	61,891	59,833	88,026
East Coast Transport Co., Inc.	295,043	261,304	250,822	218,755	111,855
Eastern Motor Lines Inc.	274,460	4			
Eastern Transit Storage Co.	120,288	133,283	104,315	86,000	50,299
Edmac Trucking Co., Inc.	140,573	146,724	146,662	101,252	NA
Everette, Woodrow, Truck Line	264,810	209,285			
Fidelity Van & Storage Inc. ¹	93,357	143,301	101,708	72,172	NA
Forbes Transfer Co., Inc.	539,337	551,029	545,143	567,639	321,494
General Motor Lines Inc.	NA	NA			
Goldston Transfer Inc.	448,885	360,466	302,663	251,000	160,000
Greyhound Storage Inc.	29,321	14,798	4,230	5,813	9,884
Guignard Freight Lines Inc.	264,322	269,226	262,277	226,749	NA
Hally Transfer & Storage Inc.	388,514	284,699	211,902	130,362	90,340
Hawn Trucking Service ²	116,474	175,290	218,773	319,279	325,650
Henry, C. S., Transfer Inc.	143,103	126,207	133,252	137,700	121,417
Honeycutt, J. P., Company Inc.	309,511	281,121			
Jaber Trucking Co.	134,883	134,972			
Johnson, Bruce, Trucking Co., Inc.	169,708	217,960	193,039	209,028	154,532
Jourdan Transfer Inc.	16,347	23,926			
Kenan Transport Co.	120,300	267,551	253,816	241,160	127,895
Lancy Tank Lines Inc.	335,477	271,130	298,353	317,000	274,000
M & M Tank Lines Inc.	894,851	676,941	592,496	514,347	29,914
Martin Transfer & Storage Co.	111,709	183,517	92,109	70,952	NA
Maybelle Transport Co.	790,753	735,994	733,835	684,523	557,496
Mercer Marine Transport	1,097	3			
Mid-State Delivery Service	291,414	261,255	235,005	220,048	203,768
*Miller, H. W., Trucking Co.			603,453	580,428	357,541
Murrows Transfer Inc.	370,459	360,975	349,761	334,000	180,000
Petroleum Transit Co.	400,848	444,923	458,862	507,000	358,000
Petroleum Transportation Inc.	442,820	440,475	420,193	442,000	424,000
Pitt County Transportation Co., Inc.	854,334	280,616	306,674	301,123	193,361
Quality Oil Transport	478,833	473,444	464,164	474,598	58,227
Rabon Transfer	159,900	110,980			
Shamrock Transport Co.	234,493	221,873	216,436	181,601	253,068
Smith, M. M., Storage Warehouse Inc.	288,503	252,962	262,375	314,272	186,649
Southern Oil Transportation Co., Inc.	608,231	593,153	609,511	665,000	585,000
Stegall Rilling Co.	234,102	217,405	224,780	67,330	NA
Stegall, T. G., Co.	106,335	113,755	125,461	107,158	38,369
Sugar Transport Inc.	80,388	81,436	88,690	62,000	58,000
Swann Trucking Co.	110,535	97,973			
*T & A Trucking Co.			806,168	746,837	898,590
Tarheel Transport Inc.	324,858	312,582	412,168	427,424	401,706
Tatum-Dalton Transfer Co.	153,922	276,445	234,923	246,457	NA
Terminal City Transport Inc.	291,139	257,307	269,237	191,144	138,490
Van Gorp Van Service Inc.	21,537	16,581	0	14,640	NA
Washburn Storage Co.	214,873	117,158	123,035	109,420	96,725
Webb Transfer Line Inc.	49,500	72,598	50,799	0	NA
Whittenton's Transfer	72,477	67,630	43,950	NA	NA
Wildenhouse, A. C., Inc.	685,082	679,854	585,357	632,000	510,000
Williamson Truck Line	160,190	542,595			
Wilson Transfer Co., Inc.	279,717	265,797	247,618	240,000	192,000
Totals	\$ 19,312,992	\$ 16,997,569	\$ 15,503,201	\$ 14,381,508	\$ 10,022,682
Adjusted Totals (1966-1965) ⁵	\$ 19,037,435	\$ 16,997,569			

Class II Carriers have annual operating revenues of \$200,000 and not more than \$1,000,000.

* These Carriers are shown only for comparative purposes. No longer on list.

E—Estimated NA—Not Available

¹ N. C. information only for 1966.² Equipment rental only in 1966.³ Not in operation in 1965 (Order dated October 1965)⁴ Not in existence in 1965.⁵ Adjusted Totals (1966-1965) excludes data of companies not having data for both years 1966-1965.

Deficits or decreases are shown in bold type.

MOTOR FREIGHT CARRIERS—CLASS II

Income, Expense, Operating Ratio, and Net Income Data for the Years Ended December 31, 1966, 1965, 1964, 1963 and 1960

Total Operating Revenues				Total Operating Expenses		
1966	1965	1964	1963	1960	1966	1965
\$ 465,064	\$ 458,880	\$ 402,881	\$ 355,305	\$ 214,090	\$ 447,993	\$ 425,750
645,097	797,125	689,898	592,524	194,253	641,976	760,158
		265,950	246,658	0		
237,249	259,562				233,504	234,874
689,843	702,432	641,786	565,150	445,455	630,073	604,216
304,310	287,161	243,770	263,000	246,000	322,858	307,807
612,441	580,290	566,190	512,263	392,632	598,030	551,178
1,713,625	702,326	568,992	503,985	402,125	1,651,538	649,274
1,766,318	1,340,608	873,002	680,000	611,410	1,785,882	1,215,915
500,815	464,334	576,965	646,781	445,453	491,581	461,711
392,926	350,391	305,040	271,000	237,000	27,385	347,403
242,145	230,284	224,075	211,600	236,400	228,949	209,233
639,748	534,307	457,348	444,361	426,196	561,674	498,532
583,253	594,355	516,166	427,945	337,530	538,857	542,788
767,217	587,408				621,641	481,278
698,381	511,876	373,085	363,347	176,832	671,828	493,903
303,120	287,835	278,499	252,388	219,236	273,533	255,686
831,110	698,110	542,138	451,000	6,000	773,383	611,780
269,694	261,545	249,662	261,485	267,268	253,395	227,019
865,904	539,304	593,622	646,000	536,000	797,923	528,362
584,910	504,648	403,603	384,642	246,063	548,741	473,507
304,261	279,729	292,655	344,000	315,000	320,024	279,701
323,612	285,493	218,568	249,626	251,028	434,703	369,029
295,043	261,304	250,822	218,755	111,855	263,970	244,102
841,127	4				836,784	4
269,370	276,275	239,364	196,000	187,600	264,861	259,563
238,661	254,373	226,854	192,120	156,098	229,220	236,954
264,810	209,285				249,195	243,107
93,357	311,457	239,792	223,514	189,532	91,107	304,536
1,190,064	1,086,627	845,261	931,166	757,575	1,164,574	1,039,551
485,523	391,460				439,653	338,306
1,643,667	1,292,919	1,081,325	927,000	594,000	1,495,231	1,130,292
1,726,197	1,270,228	1,059,702	994,881	1,270,760	1,577,665	1,263,029
1,170,691	1,097,340	912,503	834,821	NA	1,088,508	977,000
388,514	284,699	211,902	130,362	90,340	352,787	272,620
116,474	175,290	218,773	319,279	325,650	127,106	180,095
765,401	658,348	662,794	764,456	578,755	708,590	601,222
309,511	281,121				310,946	262,797
324,881	271,530				319,429	256,015
589,470	562,914	565,478	594,505	467,007	559,773	592,493
251,856	239,255				249,836	226,484
219,246	267,551	253,816	241,160	127,895	206,519	231,787
1,184,175	990,250	973,103	982,000	935,000	971,145	825,470
960,244	719,538	636,135	514,347	29,914	890,073	676,919
446,955	384,730	347,606	280,626	390,856	427,404	369,485
994,518	970,483	932,683	844,789	707,963	957,916	930,787
288,792	3				296,897	3
291,414	261,255	235,005	220,048	203,768	284,702	257,915
		1,006,426	986,763	693,739		
1,336,434	1,184,690	998,747	987,000	468,000	1,261,695	1,127,768
586,172	566,878	535,741	559,000	453,000	604,205	580,420
778,243	695,853	653,488	634,000	601,000	746,146	637,177
854,334	766,051	762,793	700,775	510,861	791,157	741,459
530,837	522,873	546,518	522,990	421,405	325,756	256,704
390,001	312,076				346,039	290,061
234,493	221,873	216,436	181,601	253,068	164,855	158,669
288,503	252,962	262,375	314,272	186,649	257,948	222,129
608,231	593,153	609,511	665,000	585,000	593,184	552,885
1,219,890	912,950	838,104	757,602	505,608	1,168,217	817,183
752,848	751,848	750,880	667,109	251,746	732,062	729,682
755,475	684,310	572,707	427,000	298,000	656,278	599,125
254,943	223,200				237,764	214,793
		1,091,532	921,120	898,590		
324,858	312,582	412,168	427,424	421,706	299,453	302,228
337,716	367,156	286,491	312,475	255,680	318,308	346,978
291,139	257,307	269,237	191,144	138,490	226,207	213,965
788,874	740,235	703,490	662,433	488,359	741,346	657,178
1,637,748	1,162,277	928,569	825,809	759,816	1,435,205	1,110,343
747,570	801,395	757,080	694,398	891,713	698,984	742,767
426,933	341,123	221,974	159,635	185,239	394,458	298,625
696,716	689,395	596,498	642,000	518,000	641,836	597,648
526,424	555,137				498,974	542,595
440,430	428,788	397,097	361,000	326,000	434,000	396,731
\$ 43,899,816	\$ 37,120,347	\$ 32,594,675	\$ 30,683,439	\$ 23,442,208	\$ 40,793,439	\$ 34,386,746
\$ 43,526,897	\$ 37,120,347				\$ 39,659,758	\$ 34,386,746

FIGURE NO. 37—Continued

MOTOR FREIGHT CARRIERS—CLASS II

Income Expense, Operating Ratio, and Net Income Data for the Years Ended December 31, 1966, 1965, 1964, 1963 and 1960

Motor Freight Carriers—Class II	Total Operating Expenses			Net Operating Revenue Total System	
	1964	1963	1960	1966	1965
Anderson Truck Line Inc.	\$ 373,216	\$ 331,640	\$ 205,284	\$ 17,071	\$ 33,130
B & P Motor Lines Inc.	670,327	572,045	201,671	3,121	36,967
*B & W Transport	242,329	214,286	0		
Barnett Truck Lines Inc.				3,745	24,688
Billings Trucking Corp.	572,113	510,928	416,763	59,770	98,216
Blair Transit Company	281,726	289,000	291,000	18,548	20,647
Blue Ridge Trucking Co.	528,428	474,286	366,448	14,411	29,112
Burton Lines Inc.	541,229	492,278	395,419	62,087	53,052
Byrd Motor Line Inc.	823,251	625,000	474,466	19,564	124,693
Cargocare Transportation Co., Inc.	565,734	623,964	437,622	9,234	2,623
Carolina Asphalt & Petroleum Co.	299,792	266,000	233,000	365,541	2,987
Carolina Carriers Inc.	204,674	196,000	210,500	13,196	21,051
Carolina Transfer & Storage Co.	451,985	429,786	409,370	78,074	35,775
Carroll's Transfer	501,121	420,148	327,563	44,396	51,567
Central Transport Inc.				145,576	106,130
Charlotte Van & Storage Co., Inc.	367,086	357,273	182,383	26,553	17,973
Citizens Express Inc.	259,715	221,335	186,123	29,587	32,149
Claremont Motor Lines Inc.	488,021	434,000	6,000	57,727	86,330
Clay's Transfer Co., Inc.	268,439	258,228	277,075	16,299	34,526
Comer, A. F., Transport Service Inc.	604,197	665,000	512,000	67,981	10,942
Cope Trucking Co.	379,166	352,688	242,781	36,169	31,141
Cromartie Transport Co.	317,911	330,000	281,000	15,763	28
Durham Transfer & Storage Inc.	338,321	343,987	303,129	111,091	83,536
East Coast Transport Co., Inc.	235,838	200,449	101,230	31,073	17,202
Eastern Motor Lines Inc.				4,343	4
Eastern Transit Storage Co.	225,317	186,000	186,791	4,509	16,713
Edmac Trucking Co., Inc.	234,789	198,565	180,795	9,441	17,419
Everette, Woodrow, Truck Line				15,615	33,822
Fidelity Van & Storage Inc. ¹	239,014	224,476	190,708	2,250	6,920
Forbes Transfer Co., Inc.	823,318	903,936	745,252	25,490	47,076
General Motor Lines Inc.				45,870	53,154
Goldston Transfer Inc.	1,043,918	820,000	536,000	148,436	162,627
Greyhound Storage Inc.	1,050,222	983,999	1,168,730	148,532	7,199
Guignard Freight Lines Inc.	815,768	765,318	NA	82,183	120,340
Hally Transfer & Storage Inc.	200,848	116,545	72,966	35,727	12,078
Hawn Trucking Service ²	354,953	336,227	320,201	10,632	4,805
Henry, C. S., Transfer Inc.	572,667	705,144	512,754	56,811	57,126
Honeycutt, J. P., Company Inc.				1,435	18,324
Jaber Trucking Co.				5,452	15,515
Johnson, Bruce, Trucking Co., Inc.	607,176	603,065	424,751	29,697	29,579
Jourdan Transfer Inc.				2,020	12,771
Kenan Transport Co.	235,497	212,569	103,696	12,727	35,764
Lancy Tank Lines Inc.	806,476	813,000	746,000	213,030	164,780
M & M Tank Lines Inc.	612,160	531,321	42,274	70,171	42,622
Martin Transfer & Storage Co.	348,838	275,731	370,226	19,551	15,245
Maybelle Transport Co.	893,538	783,831	687,003	36,602	39,696
Mercer Marine Transport				8,105	5
Mid-State Delivery Service	225,177	209,093	204,709	6,712	3,340
*Miller, H. W., Trucking Co.	991,057	945,802	694,779		
Murrows Transfer Inc.	959,096	936,000	445,000	74,739	56,922
Petroleum Transit Co.	502,890	550,000	427,000	18,033	13,542
Petroleum Transportation Inc.	592,081	581,000	572,000	32,097	58,676
Pitt County Transportation Co., Inc.	715,240	687,658	497,146	63,177	24,592
Quality Oil Transport	303,157	308,429	199,144	205,081	266,169
Rabon Transfer				43,962	22,015
Shamrock Transport Co.	153,729	149,902	213,863	69,638	63,204
Smith, M. M., Storage Warehouse Inc.	273,267	259,504	144,686	30,555	30,833
Southern Oil Transportation Co., Inc.	591,693	626,000	522,000	15,047	40,268
Stegall Rilling Co.	810,380	735,095	473,044	51,673	95,768
Stegall, T. G., Co.	680,269	630,537	246,725	20,786	22,166
Sugar Transport Inc.	497,579	427,000	270,000	99,197	85,185
Swann Trucking Co.				17,179	8,407
*T & A Trucking Co.	1,045,156	818,782	837,747		
Tarheel Transport Inc.	390,288	407,599	412,584	25,405	10,354
Tatum-Dalton Transfer Co.	292,508	298,696	242,976	19,408	20,178
Terminal City Transport Inc.	236,905	157,512	115,529	64,932	43,341
Van Gorp Van Service Inc.	626,991	601,227	499,614	47,528	83,057
Washburn Storage Co.	898,635	800,982	805,505	202,543	51,934
Webb Transfer Line Inc.	689,566	693,856	925,954	48,586	58,628
Whittenton's Transfer	208,941	158,535	182,958	32,475	42,498
Wildenhouse, A. C., Inc.	512,187	561,000	464,000	54,880	91,747
Williamson Truck Line				27,450	12,542
Wilson Transfer Co., Inc.	381,321	374,000	317,000	6,430	32,057
Totals	\$ 30,957,231	\$ 28,986,257	\$ 22,062,937	\$ 3,106,377	\$ 2,733,601
Adjusted Totals (1966-1965) ⁵				3,110,139	2,733,601

Class II Carriers have annual operating revenues of \$200,000 and not more than \$1,000,000.

* These Carriers are shown only for comparative purposes. No longer on list.

E—Estimated NA—Not Available

¹ N. C. information only for 1966.² Equipment rental only in 1966.³ Not in operation in 1965 (Order dated October 1965)⁴ Not in existence in 1965.⁵ Adjusted Totals (1966-1965) excludes data of companies not having data for both years 1966-1965.

Deficits or decreases are shown in bold type.

FIGURE NO. 37—Continued

MOTOR FREIGHT CARRIERS—CLASS II

Income, Expense, Operating Ratio, and Net Income Data for the Years Ended December 31, 1966, 1965, 1964, 1963 and 1960

Net Operating Revenue Total System			Operating Ratio System Per Cent				
1964	1963	1960	1966	1965	1964	1963	1960
\$ 29,665	\$ 23,665	\$ 8,806	96.3	92.7	92.6	93.3	95.8
19,571	20,479	7,418	99.5	95.4	93.3	96.5	103.8
23,621	32,372	0			91.2	86.8	0
			98.4	90.5			
69,673	54,222	28,692	91.3	86.0	89.1	90.4	93.6
37,956	26,000	45,000	106.1	107.2	115.6	109.8	118.2
37,762	37,977	26,184	97.6	95.0	93.3	92.6	93.3
27,763	11,707	6,706	96.4	92.4	95.1	97.6	98.3
49,751	55,000	136,944	101.1	90.7	94.3	91.9	77.6
11,231	22,817	7,831	98.2	99.4	98.1	96.5	98.2
5,248	5,000	4,000	98.8	99.1	98.2	98.0	98.0
19,401	15,600	25,900	94.6	90.9	91.3	92.6	89.0
5,363	14,575	16,826	87.8	93.0	98.8	96.7	96.0
15,045	7,797	9,967	92.3	91.3	97.1	98.2	97.0
			81.0	81.9			
5,999	6,074	5,551	96.2	96.5	98.4	98.3	103.4
18,784	31,053	33,113	90.2	88.8	93.0	87.7	84.9
54,117	17,000	0	93.1	87.6	90.0	96.0	100.0
18,777	3,257	9,807	94.0	86.8	107.5	98.7	103.0
10,575	19,000	24,000	92.1	98.0	101.7	102.9	95.5
24,437	31,954	3,282	93.8	93.8	93.9	91.7	98.6
25,256	14,000	34,000	105.2	100.0	100.0	95.9	89.0
119,753	94,361	52,101	134.3	129.3	154.7	119.4	108.3
14,984	18,306	10,625	89.5	93.4	93.9	91.6	90.5
			99.5	4			
14,047	10,000	809	98.3	94.0	98.3	94.8	99.6
7,935	6,445	24,697	96.0	93.2	103.5	104.0	115.8
			94.1	116.2			
778	962	1,176	97.6	97.8	99.7	100.4	100.6
21,943	27,230	12,323	97.9	95.7	97.6	97.0	98.4
			90.6	86.4			
37,407	107,000	58,000	91.0	87.4	96.0	88.4	90.2
9,480	10,882	102,030	91.4	99.4	99.1	98.9	91.9
96,735	69,503	NA	93.0	89.0	89.4	91.7	NA
11,054	13,817	17,374	90.8	95.8	94.8	89.4	80.8
136,180	16,948	5,449	109.1	102.7	162.5	105.0	98.3
90,127	59,312	66,001	92.6	91.3	86.4	92.2	88.5
			100.5	93.5			
			95.2	94.3			
41,698	8,560	42,256	95.0	105.2	107.3	101.4	91.0
			99.2	94.7			
18,319	28,591	24,199	94.2	86.6	92.0	88.1	80.7
166,627	169,000	189,000	82.0	83.4	82.8	82.7	79.7
23,975	16,974	12,360	92.7	94.1	96.2	103.3	141.3
1,232	4,895	20,630	95.6	96.0	100.4	98.3	94.7
39,145	60,958	20,960	96.3	95.9	95.8	92.8	97.0
			102.8	3			
9,828	10,955	941	97.7	98.7	95.8	95.0	100.5
15,369	40,961	1,040			98.4	95.8	100.1
39,651	51,000	23,000	94.4	95.2	96.0	94.8	95.1
32,851	9,000	26,000	103.1	102.4	93.9	98.0	94.0
61,407	53,000	29,000	95.9	90.8	90.6	91.6	95.1
47,553	13,117	13,715	92.6	96.8	93.7	98.1	97.3
243,361	214,561	222,261	61.4	49.1	55.5	59.0	47.3
			88.7	92.9			
62,707	31,699	39,205	70.3	71.5	71.0	82.5	84.5
10,892	54,768	41,963	89.4	87.8	104.2	82.6	77.5
17,818	39,000	63,000	97.5	93.2	97.0	94.1	89.2
27,724	22,507	32,564	95.8	89.5	96.7	97.0	94.7
70,611	36,572	5,021	97.2	97.1	90.6	94.5	98.0
75,128	0	28,000	86.9	87.6	86.9	99.9	90.5
			93.3	96.2			
46,376	102,338	60,843			95.7	88.9	93.1
21,880	19,825	9,122	92.2	90.3	94.6	95.3	97.8
6,017	13,779	12,704	94.3	94.5	102.1	95.6	95.0
32,332	33,632	22,961	77.7	83.1	88.0	82.4	83.4
76,499	61,206	11,255	94.0	88.8	89.1	90.8	102.3
29,934	24,827	45,689	87.6	95.5	96.7	96.9	106.0
67,514	542	34,241	93.5	90.7	91.1	99.9	103.8
13,033	1,100	2,281	92.4	87.5	94.1	99.3	98.8
84,311	81,000	54,000	92.1	86.7	85.9	87.4	89.6
			94.8	97.7			
15,776	13,000	9,000	98.5	92.5	96.0	104.0	97.0
\$ 1,637,444	\$ 1,697,182	\$ 1,379,271	92.9W/a	92.6W/a	94.9	94.4	94.1
			91.1W/a	92.6W/a			

FIGURE NO. 37—Continued

MOTOR FREIGHT CARRIERS—CLASS II

Income, Expense, Operating Ratio, and Net Income Data for the Years Ended December 31, 1966, 1965, 1964, 1963 and 1960

Other Income or (Deductions) Net Including Income Taxes

Motor Freight Carriers—Class II	1966	1965	1964
Anderson Truck Line Inc.	\$ 10,633	\$ 11,958	\$ 12,210
B & P Motor Lines Inc.	6,890	15,456	11,976
*B & W Transport			11,207
Barnett Truck Lines Inc.	327	3,707	
Billings Trucking Corp.	17,128	27,235	18,524
Blair Transit Company	27,272	39,273	27,700
Blue Ridge Trucking Co.	5,706	17,196	1,739
Burton Lines Inc.	18,102	12,161	1,109
Byrd Motor Line Inc.	22,822	27,458	34,944
Cargocare Transportation Co., Inc.	2,982	2,400	2,957
Carolina Asphalt & Petroleum Co.	359,883	239	834
Carolina Carriers Inc.	3,175	2,711	3,631
Carolina Transfer & Storage Co.	23,189	2,941	20,097
Carroll's Transfer	11,873	5,669	1,595
Central Transport Inc.	16,615	12,470	
Charlotte Van & Storage Co., Inc.	7,668	4,472	2,893
Citizens Express Inc.	2,441	9,288	12,344
Claremont Motor Lines Inc.	13,489	9,396	4,314
Clay's Transfer Co., Inc.	3,168	3,127	2,902
Comer, A. F., Transport Service Inc.	26,914	18,688	4,734
Cope Trucking Co.	6,658	6,026	13,717
Cromartie Transport Co.	1,953	3,371	1,217
Durham Transfer & Storage Inc.	117,405	98,834	122,004
East Coast Transport Co., Inc.	6,399	7,669	2,449
Eastern Motor Lines Inc.	21,920	⁴	
Eastern Transit Storage Co.	4,350	6,570	2,559
Edmac Trucking Co., Inc.	1,979	3,939	1,661
Everette, Woodrow, Truck Line	5,297	0	
Fidelity Van & Storage Inc. ¹	2,947	185	0
Forbes Transfer Co., Inc.	13,934	4,649	3,503
General Motor Lines Inc.	996	683	
Goldston Transfer Inc.	51,160	43,259	448
Greyhound Storage Inc.	72,000	1,000	699
Guignard Freight Lines Inc.	80,127	16,814	21,945
Hally Transfer & Storage Inc.	4,605	3,222	2,226
Hawn Trucking Service ²	0	131	27,026
Henry, C. S., Transfer Inc.	28,025	16,698	22,258
Honeycutt, J. P., Company Inc.	6,625	7,204	
Jaber Trucking Co.	4,383	6,477	
Johnson, Bruce, Trucking Co., Inc.	15,943	12,360	7,977
Jourdan Transfer Inc.	539	3,576	
Kenan Transport Co.	19,228	20,473	14,758
Lancy Tank Lines Inc.	73,180	83,885	97,999
M & M Tank Lines Inc.	35,927	22,376	31,788
Martin Transfer & Storage Co.	2,849	21,995	8,875
Maybelle Transport Co.	5,932	15,235	13,883
Mercer Marine Transport	6,880	³	
Mid-State Delivery Service	920	769	2,721
*Miller, H. W., Trucking Co.			4,784
Murrows Transfer Inc.	26,458	8,211	29,855
Petroleum Transit Co.	24,802	16,775	12,248
Petroleum Transportation Inc.	27,297	19,566	28,003
Pitt County Transportation Co., Inc.	10,273	9,706	32,786
Quality Oil Transport	18,277	12,127	18,832
Rabon Transfer	10,635	3,996	
Shamrock Transport Co.	23,851	6,945	23,526
Smith, M. M., Storage Warehouse Inc.	12,399	10,456	2,418
Southern Oil Transportation Co., Inc.	1,207	2,480	3,570
Stegall Rilling Co.	3,026	590	0
Stegall, T. G., Co.	11,817	17,387	1,783
Sugar Transport Inc.	48,562	41,163	42,204
Swann Trucking Co.	12,337	1,607	
*T & A Trucking Co.			36,785
Tarheel Transport Inc.	1,332	1,186	2,379
Tatum-Dalton Transfer Co.	8,689	11,536	15,366
Terminal City Transport Inc.	45,363	17,256	9,518
Van Gorp Van Service Inc.	37,216	51,920	25,681
Washburn Storage Co.	172,070	34,118	22,416
Webb Transfer Line Inc.	13,168	4,112	4,340
Whittenton's Transfer	11,000	1,070	1,025
Wildenhouse, A. C., Inc.	8,392	16,722	27,448
Williamson Truck Line	4,784	1,454	
Wilson Transfer Co., Inc.	9,410	11,082	4,434
Totals	\$ 1,317,184	\$ 541,792	\$ 330,542
Adjusted Totals (1966-1965) ⁵	\$ 1,288,384	\$ 541,792	

Class II Carriers have annual operating revenues of \$200,000 and not more than \$1,000,000.

* These Carriers are shown only for comparative purposes. No longer on list.

E—Estimated NA—Not Available ¹ N. C. information only for 1966.² Equipment rental only in 1966.³ Not in operation in 1965 (Order dated October 1965) ⁴ Not in existence in 1965.⁵ Adjusted Totals (1966-1965) excludes data of companies not having data for both years 1966-1965.

Deficits or decreases are shown in bold type.

FIGURE NO. 37—Continued

MOTOR FREIGHT CARRIERS—CLASS II

Income, Expense, Operating Ratio, and Net Income Data for the Years Ended December 31, 1966, 1965, 1964, 1963 and 1960

Other Income or (Deductions) Net Including Income Taxes		Net Income Total System After Income Taxes				
1963	1960	1966	1965	1964	1963	1960
\$ 12,056	\$ 3,941	\$ 6,438	\$ 21,172	\$ 17,455	\$ 11,609	\$ 4,865
7,961	2,695	3,769	21,511	7,595	12,518	4,723
10,141	0			12,414	22,231	0
		3,418	20,981			
12,076	8,661	42,642	70,981	51,149	42,146	20,031
22,485	36,610	8,724	18,626	10,256	3,515	8,390
1,190	1,078	8,705	11,916	36,023	36,787	27,262
3,167	1,709	43,985	40,891	26,654	8,540	4,997
54,587	27,487	42,386	97,235	14,807	413	109,457
4,145	1,262	6,252	223	8,274	18,672	6,569
821	1,000	5,658	2,748	4,414	4,179	3,000
4,000	8,300	10,021	18,340	23,032	19,600	17,600
8,380	17,287	54,885	38,716	25,460	22,955	34,113
6,749	1,310	32,523	45,898	13,450	1,048	8,657
		128,961	93,660			
5,179	0	18,885	13,501	3,106	895	5,551
10,771	11,911	27,146	22,861	6,440	20,282	21,202
111	0	44,238	76,934	58,431	16,889	0
2,356	2,400	13,131	31,399	21,679	901	12,207
3,336	8,204	41,067	7,746	15,309	22,336	15,796
4,662	0	29,511	25,115	10,720	27,292	3,282
469	8,079	17,716	3,343	26,473	14,469	25,921
97,170	55,567	6,314	15,298	2,251	2,809	3,466
318	941	24,674	9,533	12,535	17,988	9,684
		17,577	4			
5,864	139	159	10,143	11,488	15,864	948
3,606	20,901	11,420	13,480	6,274	2,839	3,796
		10,318	33,822			
22	0	5,197	6,735	778	940	1,176
6,028	4,755	39,424	42,427	18,440	21,202	7,568
		44,874	52,471			
33,592	25,722	97,276	119,368	37,855	73,408	32,278
4,616	48,152	76,532	6,199	10,179	6,266	53,878
2,266	NA	2,056	103,526	74,790	67,237	NA
2,973	4,396	31,122	8,856	8,828	10,844	12,978
15,315	3,186	10,632	4,674	163,206	32,263	2,263
21,401	34,296	28,786	40,428	67,869	37,911	31,705
		8,060	11,120			
		9,790	9,038			
3,731	4,452	13,754	41,939	33,721	12,291	46,708
		1,481	9,195			
32,273	5,507	6,501	15,291	3,561	3,682	18,692
79,969	88,256	139,850	80,895	68,628	89,031	100,744
47,810	2,266	34,244	20,246	7,813	64,784	14,626
843	756	16,702	37,240	7,643	5,738	21,386
14,226	39,957	30,670	24,461	25,262	46,732	60,917
		14,985	3			
3,707	381	7,632	2,571	7,107	7,248	560
11,868	54			10,585	29,093	986
14,803	11,086	48,281	48,711	9,796	36,197	11,914
9,919	14,781	42,835	30,317	20,603	919	11,219
17,349	12,390	4,800	39,110	33,404	35,651	16,610
9,214	5,152	52,904	14,886	14,767	22,331	8,563
233	654	223,358	278,296	262,193	214,794	221,607
		33,327	18,019			
16,177	18,100	45,787	70,149	86,233	47,876	57,305
20,435	16,313	18,156	20,377	8,474	34,333	25,650
28,393	18,794	13,840	37,788	14,248	10,607	44,206
0	91	54,699	95,178	27,724	22,507	32,655
488	0	8,969	4,779	72,394	36,084	5,021
31,858	10,000	50,635	44,022	32,924	31,858	18,000
		4,842	10,014			
40,207	32,201			83,161	62,131	28,642
1,697	3,820	24,073	9,168	19,501	18,128	5,302
6,122	270	28,097	31,714	9,349	19,901	12,974
15,642	11,147	19,569	26,085	22,814	17,990	11,814
26,579	25,871	10,312	31,137	50,818	34,627	37,126
9,118	61,409	30,473	17,816	7,518	15,709	15,720
6,505	1,086	35,418	54,516	63,174	5,963	33,155
7,996	5,553	21,475	43,568	14,058	9,096	7,834
38,762	29,618	46,488	75,025	56,863	42,238	24,382
		22,666	11,088			
103	6,511	2,980	20,975	11,342	13,103	2,489
\$ 434,962	\$ 233,693	\$ 1,789,193	\$ 2,191,809	\$ 1,306,902	\$ 1,262,220	\$ 1,145,578
		\$ 1,821,755	\$ 2,191,809			

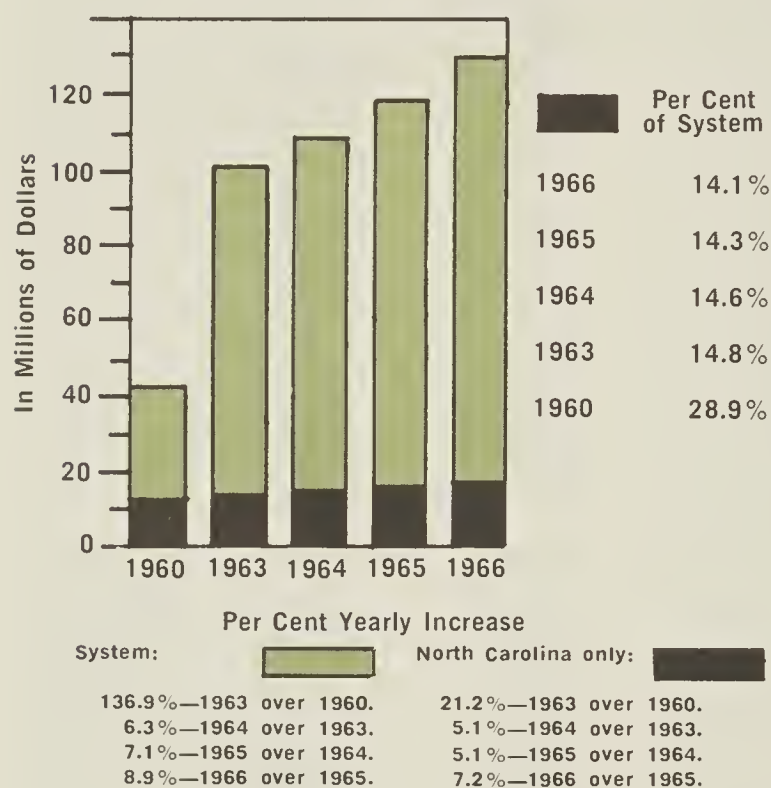
MOTOR PASSENGER CARRIERS

General Comments

At December 31, 1966, there were 77 motor carriers of passengers operating in North Carolina and being fully or partially under the regulation of the North Carolina Utilities Commission. Eleven (11) of these carriers are franchised by the governing authorities of the municipalities in which they operate. The Commission's jurisdiction over these carriers is limited to the approval or disapproval of fares and to the annual filing of reports of operations. The remaining 66 carriers are fully regulated by the Commission. Eleven (11) of these are classified as intracity and 55 as intercity.

FIGURE NO. 38

CLASS I INTERCITY CARRIERS OPERATING REVENUE (North Carolina and System Data)



Class I Intercity Carriers

Carolina Coach Company	Smoky Mountain Stages, Inc.
Carolina Scenic Stages	Southern Greyhound Lines
Queen City Coach Company	Virginia Stage Lines
Seashore Transportation Company	

Intercity Motor Passenger Carriers

Financial and statistical data is presented for 47 of the 55 intercity carriers. These carriers have franchises and operating rights to serve two or more points and are further classed and operate as a common carrier or contract carrier, over either interstate or intrastate routes.

The following table shows the breakdown of these classifications:

Classification	Number of Carriers
Class I —\$200,000 or more annual operating revenue	7
Class II —\$50,000 to \$200,000 annual operating revenue	6
Class III—Under \$50,000 annual operating revenue	34
Total	47
Type Carrier	
Common	35
Contract	12
Total	47
Scope	
Interstate	17
Intrastate	30
Total	47

During 1966 there was a net decrease of two (2) in the total number of intercity carriers under regulation; however, there were a number of certificates and additional authorities granted, sold, and transferred.

Statistical Summary Data—Class I carriers for their North Carolina operations had an increase in operating revenues of 7.2 per cent while total bus miles operated declined slightly in 1966 as compared to 1965.

System-wide operations for the Class I carriers showed an improvement in the operating ratio which decreased from 81.6% to 80.3%. This more profitable ratio resulted from operating revenues increasing (8.9%) at a faster rate than did operating expenses (7.1%) for the same period. Figure 38 shows graphically the trend in operating revenues.

Number of revenue passengers hauled by the Class I and II intercity carriers reversed its declining trend of 1965, and for 1966 they showed a combined increase of 4.7 per cent or 1,918,334 passengers

FIGURE NO. 39

MOTOR PASSENGER CARRIERS—INTERCITY—CLASS I & II Number of Revenue Passengers Carried (System-wide Data) For the years 1963, 1964, 1965 and 1966

	1963	1964	1965	1966	Percent Increase 1966 over 1965
7 Class I Motor Passenger Carriers.....	36,861,971	38,268,924	37,923,920	39,386,675	3.9
6 Class II Motor Passenger Carriers.....	3,219,280	2,737,414	2,606,042	3,061,621	17.5
Grand Total.....	40,081,251	41,006,338	40,529,962	42,448,296	4.7

FIGURE NO. 40

MOTOR PASSENGER CARRIERS—INTERCITY—CLASSES I, II AND III
Summary of Selected Income Items and Operational Statistics
For the Calendar Years 1963, 1964, 1965 and 1966
 (North Carolina and Systemwide Data Noted)

Item	Class I				Class II				Percent Change More (Less) 1966 to 1965
	1963	1964	1965	1966	1963	1964	1965	1966	
Number of Companies Included in this Data:									
Interstate Operator (s).....	7	7	7	7	2	2	2	2	
Intrastate Operator (s) ²	0	0	0	0	4	4	4	4	
Operating Revenues (N. C. Portion).....	\$ 15,233,000	\$ 16,012,000	\$ 16,821,000	\$ 18,032,000	\$ 788,068	\$ 786,987	\$ 779,259	\$ 856,798	10.0
Income Items (Systemwide):									
Operating Revenues.....	\$ 103,183,000	\$ 109,720,000	\$ 117,456,000	\$ 127,875,000	\$ 830,679	\$ 814,939	\$ 811,810	\$ 10,052,806	29.7
Operating Expenses.....	84,592,000	91,584,000	95,831,000	102,642,000	815,694	787,030	785,997	903,232	14.9
Net Operating Revenues.....	18,591,000	18,136,000	21,625,000	25,233,000	14,985	27,909	25,813	149,574	479.5
Operating Ratio.....	81.9%	83.5%	81.6%	80.3%	98.2%	96.6%	96.8%	85.8%	(11.4)
Other Income or (Deduction)—Net.....	(8,166,000)	(8,386,000)	(9,617,000)	(11,326,000)	2,331	(2,386)	(19,782)	(77,624)	292.4
Net Income.....	\$ 10,425,000	\$ 9,750,000	\$ 12,008,000	\$ 13,907,000	\$ 17,316	\$ 25,523	\$ 6,031	\$ 71,950	1093.0
Statistics (N. C. Data Only):									
Total Bus Miles Operated.....	28,524,266	29,618,885	32,162,722	31,543,983	2,450,038	2,350,702	2,118,555	2,362,490	11.5
Length of Bus Route Miles—One way.....	7,630	7,666	7,585	7,488	2,314	1,970	1,235	1,199	(2.9)
Total Gallons Gasoline Purchased or Used.....	232,544	246,657	401,691	166,136	234,983	226,001	252,336	222,017	(12.0)
Total Gallons Diesel Fuel Purchased or Used.....	5,167,641	5,343,179	7,714,998	6,111,201	13,459	20,113	28,102	194,032	590.5
No. of Tickets sold which Originated in N. C. (excludes charter).....	NA	4,860,795	3,154,402	3,663,575	NA	913,669	2,580,207	3,113,458	20.7
Revenue for Tickets Originating in N. C. (excludes charter).....	NA	\$ 12,767,301	\$ 13,192,432	\$ 14,427,884	NA	\$ 330,146	\$ 624,057	\$ 605,630	(3.0)
Average Revenue Per Ticket Originating in N. C. (excludes charter).....	NA	\$ 2.63	\$ 4.17	\$ 3.94	NA	.36	.31	.19	(38.7)
Other Revenues Originating in N. C. by Charter & Express.....	NA	NA	\$ 4,056,155	\$ 4,055,084	NA	NA	\$ 109,377	\$ 358,913	228.1
Statistics (Systemwide):									
Number of Revenue Passengers Carried.....	36,861,971	38,268,924	37,923,920	39,386,675	3,219,280	2,737,414	2,606,042	3,061,621	17.5
Average Fare Per Passenger Carried.....	\$ 2.26	\$ 2.39	\$ 2.58	\$ 2.71	.25	.30	.30	.34	13.3
Average Number of Buses Owned.....	1,941	1,928	1,736	1,787	73	74	62	67	8.1
Average Number of Buses Operated ¹	1,705	1,971	1,803	1,916	55	64	56	58	3.6
Average Number of Employees.....	6,449	6,486	6,498	6,522	81	80	136	158	16.2

¹May include Units leased and stand-by Buses.

²Operations of the Class II intrastate Carriers are essentially confined to one city or an adjacent area, therefore the average fare per revenue passenger is much less than the regular intercity intrastate Carriers.

NA—Not Available

FIGURE NO. 40—Continued

MOTOR PASSENGER CARRIERS—INTERCITY—CLASSES I, II AND III

Summary of Selected Income Items and Operational Statistics

For the Calendar Years 1963, 1964, 1965 and 1966

(North Carolina and Systemwide Data Noted)

Item	Class III					Grand Totals		Percent Change More (Less) 1965 to 1966		
	(\$50,000 or Under—Operating Revenues)					Percent Change More (Less) 1965 to 1966				
	1963	1964	1965	1966		1963	1964	1965	1966	
Number of Companies Included in this Data:										
Interstate Operator(s)-----	6	6	6	8			15	15	17	
Intrastate Operator(s) ² -----	27	27	27	26			31	31	30	
Operating Revenues (N. C. Portion)-----	\$ 592,556	\$ 644,363	\$ 699,874	\$ 713,774		\$ 16,613,624	\$ 17,443,350	\$ 18,300,133	\$ 19,602,572	7.1
Income Items (Systemwide):										
Operating Revenues-----	\$ 697,113	\$ 754,618	\$ 811,056	\$ 864,158		\$ 104,710,792	\$ 111,289,557	\$ 119,078,866	\$ 129,791,964	9.0
Operating Expenses-----	634,796	692,037	707,716	762,649		86,062,490	93,063,067	97,324,713	104,307,881	7.2
Net Operating Revenues-----	42,317	62,581	103,340	101,509		18,648,302	18,226,490	21,754,153	25,484,083	17.1
Operating Ratio-----	93.9%	91.7%	87.3%	88.3%		82.2%	83.6%	81.7%	80.4%	(1.6)
Other Income or (Deduction)—Net-----	21,414	30,894	23,206	28,633		(8,142,255)	(8,357,492)	(9,613,576)	(11,374,991)	18.3
Net Income-----	\$ 63,731	\$ 93,475	\$ 126,546	\$ 130,142		\$ 10,506,047	\$ 9,868,998	\$ 12,140,577	\$ 14,109,092	16.2
Statistics (N. C. Data Only):										
Total Bus Miles Operated-----	NA	NA	NA	NA		30,974,304	31,969,587	34,281,277	33,906,473	(1.1)
Length of Bus Route Miles—One way-----	do	do	do	do		9,944	9,636	8,820	8,687	(1.5)
Total Gallons Gasoline Purchased or Used-----	do	do	do	do		468,527	472,658	654,027	388,153	(40.7)
Total Gallons Diesel Fuel Purchased or Used-----	do	do	do	do		5,181,100	5,363,292	7,743,100	6,305,233	(18.6)
No. of Tickets sold which Originated in N. C. (excludes charter)-----	do	do	do	do		NA	5,774,464	5,200,572	6,777,033	30.3
Revenue for Tickets Originating in N. C. (excludes charter)-----	do	do	do	do		NA	\$ 13,097,447	\$ 13,816,489	\$ 15,033,514	8.8
Average Revenue Per Ticket Originating in N. C. (excludes charter)-----	do	do	do	do		NA	\$ 2.27	\$ 2.66	\$ 2.22	(16.5)
Other Revenues Originating in N. C. by Charter & Express-----	do	do	do	do		NA	NA	\$ 4,165,532	\$ 4,413,997	6.0
Statistics (Systemwide):										
Number of Revenue Passengers Carried-----	do	do	do	do		40,081,251	41,006,338	40,529,962	42,448,296	4.7
Average Fare Per Passenger Carried-----	do	do	do	do		\$ 2.28	\$ 2.43	\$ 2.61	\$ 3.06	17.2
Average Number of Buses Owned-----	do	do	do	do		2,014	2,002	1,798	1,854	3.1
Average Number of Buses Operated ¹ -----	do	do	do	do		1,760	2,035	1,859	1,974	6.2
Average Number of Employees-----	do	do	do	do		6,530	6,566	6,634	6,680	.7

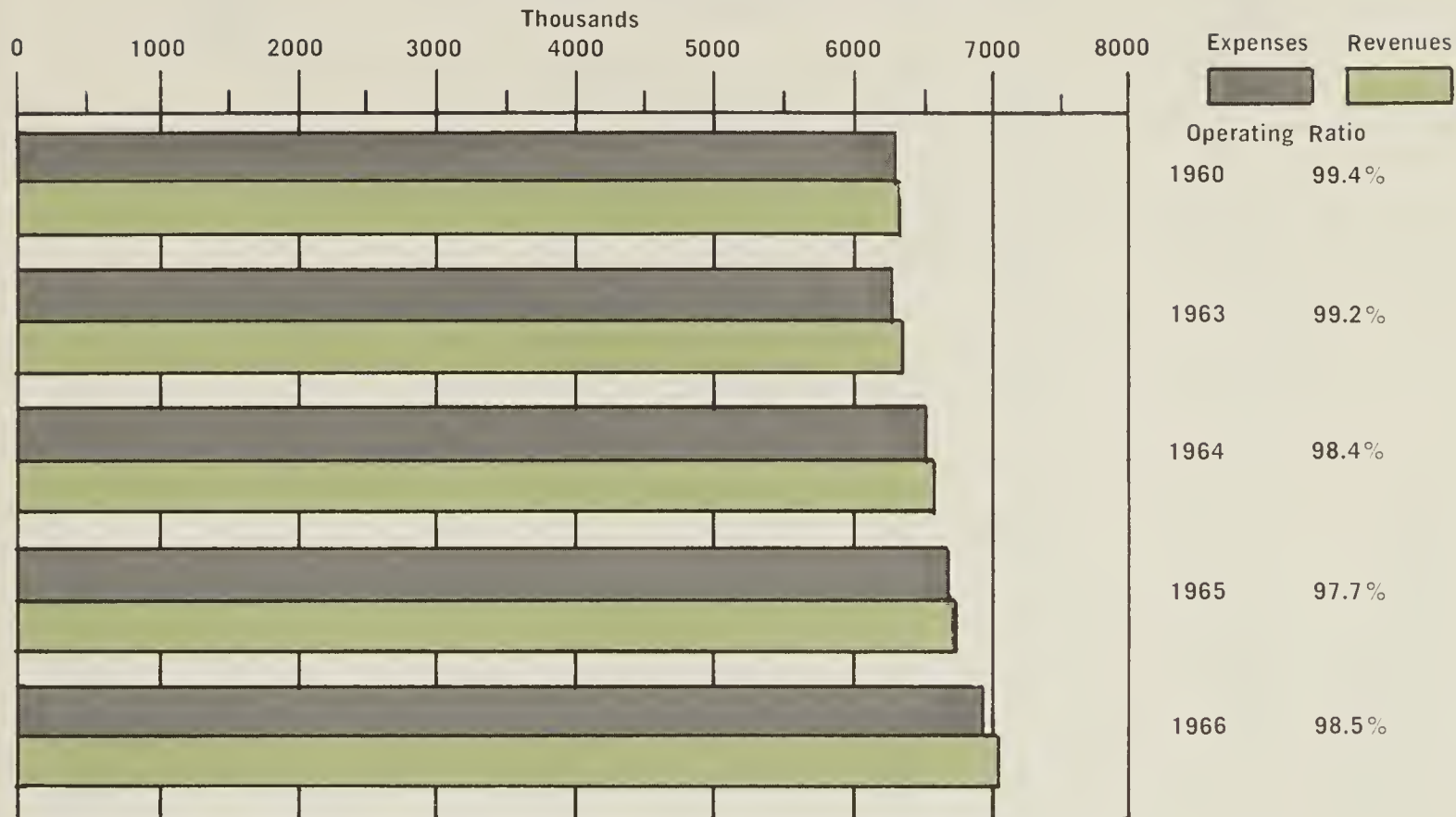
¹May include Units leased and stand-by Buses.

²Operations of the Class II intrastate Carriers are essentially confined to one city or an adjacent area, therefore the average fare per revenue passenger is much less than the regular intercity intrastate Carriers.

NA—Not Available

FIGURE NO. 41

MOTOR PASSENGER INTRACITY CARRIERS CLASSES I, II & III
Total Operating Revenues, Expenses And Ratio



hauled. (See Figure No. 39.) Other selected statistics for 47 of the 55 intercity carriers are shown in Figure No. 40.

Intracity Motor Passenger Carriers

In addition to the 11 fully regulated intracity carriers, there are 11 intracity carriers (See Fig. No. 43) under the Commission jurisdiction only as to their fares. These 22 intracity carriers are grouped as follows regarding size, type and scope of operations:

Classification	Number of Carriers
Class I —\$200,000 or more annual operating revenue	9
Class II —\$50,000 to \$200,000 annual operating revenue	9
Class III—Under \$50,000 annual operating revenue	4
Total	22
Type Carrier	
Common	22
Scope—All intrastate	22

During 1966 one intracity carrier (Catawba Transit Co., Inc., Hickory, N. C.) requested its certificate be cancelled.

Statistical Summary Data Comments—For statistical purposes, the 22 intracity carriers are grouped together as though all were fully regulated by the North Carolina Utilities Commission.

Operating revenues increased by 2.0 per cent to \$7,015,160 in 1966. Operating expenses increased

FIGURE NO. 43

**INTRACITY CARRIERS FRANCHISED BY
MUNICIPALITIES FARES ONLY REGULATED
BY NORTH CAROLINA UTILITIES
COMMISSION**

Company	City Served
Charlotte City Coach Lines, Inc.	Charlotte
City Bus Line	Lexington
City Transit Company, Inc.	New Bern
Consolidated Bus Lines, Inc.	High Point
Consolidated Bus Lines, Inc.	Salisbury
Duke Power Company*	Durham
Duke Power Company*	Greensboro
Raleigh City Coach Lines, Inc.	Raleigh
Safe Bus Company, Inc.	Winston-Salem
Safety Transit Company	Rocky Mount
Wilson Transit Company	Wilson

*Files only one operating and financial report with North Carolina Utilities Commission.

by 2.9 per cent to \$6,908,954, this higher increase in operating expenses than the increase in revenues produced an operating ratio that increased from 97.7 to 98.5 per cent. All three classes of intracity carriers had very high operating ratios in 1966 which is indicative of the financial squeeze most intracity bus systems are experiencing.

Total passengers hauled increased slightly (3.1%) in 1966, which was a reversal of the slight decline in 1965 as compared to 1964.

FIGURE NO. 42

MOTOR PASSENGER CARRIERS—INTRACITY—CLASSES I, II AND III
Summary of Selected Income Items and Operational Statistics
For the Calendar Years 1963, 1964, 1965 and 1966
(All Intracity Carriers are Intrastate Operators Only)

Item	Class I (\$200,000 or More—Operating Revenues)					Percent Change More (Less) 1965 to 1966	Class II (\$50,000 to \$200,000—Operating Revenue)					Percent Change More (Less) 1965 to 1966
	1963	1964	1965	1966	1963		1964	1965	1966			
Intracity Carriers—Regulated as to Fares only*	5	5	5	5			3	3	3	3		
Carriers Fully Regulated Included in this Data**	4	4	4	4			6	6	6	6		
Income Items												
Operating Revenues	\$ 5,224,987	\$ 5,443,113	\$ 5,716,765	\$ 5,908,617	3.4	\$ 966,930	\$ 986,011	\$ 1,014,721	\$ 969,587	(4.4)		
Operating Expenses	5,215,566	5,368,139	5,612,001	5,842,787	4.1	924,822	953,748	957,303	932,546	(2.6)		
Net Operating Revenues	\$ 9,421	\$ 74,974	\$ 104,764	\$ 65,830	37.2	\$ 42,108	\$ 32,263	\$ 57,418	\$ 37,041	(35.5)		
Operating Ratio	99.8%	98.6%	98.2%	98.9%	.7	95.7%	96.7%	94.2%	96.2%	2.1		
Other Income or (Deductions)—Net	(30,227)	(97,553)	(65,967)	(82,228)	24.7	(9,421)	8,031	(10,508)	3,507	33.4		
Net Income after Taxes	\$ 31,194 ¹	\$ 75,905 ¹	\$ 24,289 ¹	(16,398)	(248.1)	\$ 32,687	\$ 40,894	\$ 46,910	\$ 40,548	(13.6)		
Statistics:												
Length of Bus Route Miles—One Way	720	699	732	733	.1	519	509	498	387	(22.3)		
Average Number of Buses Owned	389	374	368	380	3.3	134	128	126	111	(11.9)		
Average Number of Buses Operated Daily	329	339	341	345	1.2	97	80	81	73	(9.9)		
Total Bus Miles Operated during Year	10,587,915	10,717,592	10,771,606	10,915,175	1.3	2,869,181	2,901,850	2,855,776	2,499,176	(12.5)		
Total Passengers Hauled during Year	29,854,702	34,380,760	33,528,894	35,521,380	5.9	5,191,038	5,573,093	5,462,482	4,821,594	(11.7)		
Total School Passengers Hauled during the Year	NA	3,960,617	4,724,040	4,992,647	5.7	NA	568,652	881,056	556,602	(36.8)		
(This figure is included in Total Passengers Hauled during Year)												
Average Passenger Fare	\$.17	\$.15	\$.17	\$.18	5.9	\$.17	\$.16	\$.18	\$.18	—0—		
School Passenger Fare Range—High-Low	NA	\$.10-\$.07	\$.12-\$.08	\$.12-\$.09	(.4)	NA	\$.10-\$.05	\$.13-\$.05	\$.10-\$.10	(6.9)		
Average Number of Bus Drivers	449	452	462	460		87	108	87	81	(12.8)		
Average Number of Full-time N. C. Employees	665 ²	672 ²	662	673	1.7	171 ³	160 ³	141	123			

*Duke Power Company serves both Durham and Greensboro but is treated as one franchise and one report for this purpose.

**For purposes of this study, companies operating predominantly within a municipality are considered intracity carriers although they may hold a certificate from the Utilities Commission for operations outside the municipal limits.

NA—Not Available

¹Total Net Income figures are not inclusive for the group because of the omission of figures for Duke Power Co.

²Total Company Number of Full-time Employees.

³Includes part-time employees: 1964-22; 1963-30.

FIGURE NO. 42—Continued

MOTOR PASSENGER CARRIERS—INTRACITY—CLASSES I, II AND III
Summary of Selected Income Items and Operational Statistics
For the Calendar Years 1963, 1964, 1965 and 1966
 (All Intracity Carriers are Intrastate Operators Only)

Item	Class III (\$50,000 or Under—Operating Revenues)				Percent Change More (Less) 1965 to 1966	Grand Totals				Percent Change More (Less) 1965 to 1966
	1963	1964	1965	1966		1963	1964	1965	1966	
Intracity Carriers—Regulated as to Fares only*	4	4	3	3		12	12	11	11	
Carriers Fully Regulated Included in this Data**	4	4	2	1		14	14	12	11	
Income Items										
Operating Revenues.....	\$ 143,752	\$ 142,694	\$ 145,173	\$ 136,956	(5.7)	\$ 6,335,669	\$ 6,571,818	\$ 6,876,659	\$ 7,015,160	2.0
Operating Expenses.....	143,157	144,893	147,012	133,621	(9.1)	6,283,545	6,466,780	6,716,316	6,908,954	2.9
Net Operating Revenues.....	\$ 595	\$ (2,199)	\$ (1,839)	\$ 3,335	181.3	\$ 52,124	\$ 105,038	\$ 160,343	\$ 106,206	(33.8)
Operating Ratio.....	99.6%	101.5%	101.3%	97.6%	(3.7)	99.2%	98.4%	97.7%	98.5%	.8
Other Income or (Deductions)—Net.....	4,567	(1,544)	(1,624)	(942)	(42.0)	(35,081)	(90,466)	(78,099)	(79,663)	2.0
Net Income after Taxes.....	5,162	(3,743)	(3,463)	2,393	69.1	\$ 69,043 ¹	\$ 113,056 ¹	\$ 67,736 ¹	26,543	(60.8)
Statistics:										
Length of Bus Route Miles—One Way.....	118	109	127	102	(19.7)	1,357	1,317	1,357	1,222	(9.9)
Average Number of Buses Owned.....	31	29	30	24	(20.0)	554	531	524	515	(1.7)
Average Number of Buses Operated Daily.....	17	19	19	15	(21.1)	443	438	441	433	(1.8)
Total Bus Miles Operated during Year.....	595,327	597,799	559,187	487,484	(12.8)	14,052,423	14,217,241	14,186,569	13,901,835	(2.0)
Total Passengers Hauled during Year.....	1,041,464	1,011,320	998,282	881,120	(11.7)	36,087,204	40,965,173	39,989,658	41,224,034	3.1
Total School Passengers Hauled during the Year.....										
(This figure is included in Total Passengers Hauled during Year).....										
Average Passenger Fare.....	NA	153,795	173,362	211,796	22.2	NA	4,683,064	5,778,458	5,761,045	(.3)
School Passenger Fare Range—High-Low.....	.14	.13	.14	.15	7.1	.17	.15	.17	.17	—0—
Average Number of Bus Drivers.....	NA	\$.13—\$.10	\$.20—\$.08	\$.15—\$.08	(26.3)	554	580	568	555	(2.3)
Average Number of Full-time N. C. Employees.....	18	20	19	14	(44.8)	861	859	832	812	(2.4)
	25	27	29	16						

*Duke Power Company serves both Durham and Greensboro but is treated as one franchise and one report for this purpose.

**For purposes of this study, companies operating predominantly within a municipality are considered intracity carriers although they may hold a certificate from the Utilities Commission for operations outside the municipal limits.

NA—Not Available

¹Total Net Income figures are not inclusive for the group because of the omission of figures for Duke Power Co.

²Total Company Number of Full-time Employees.

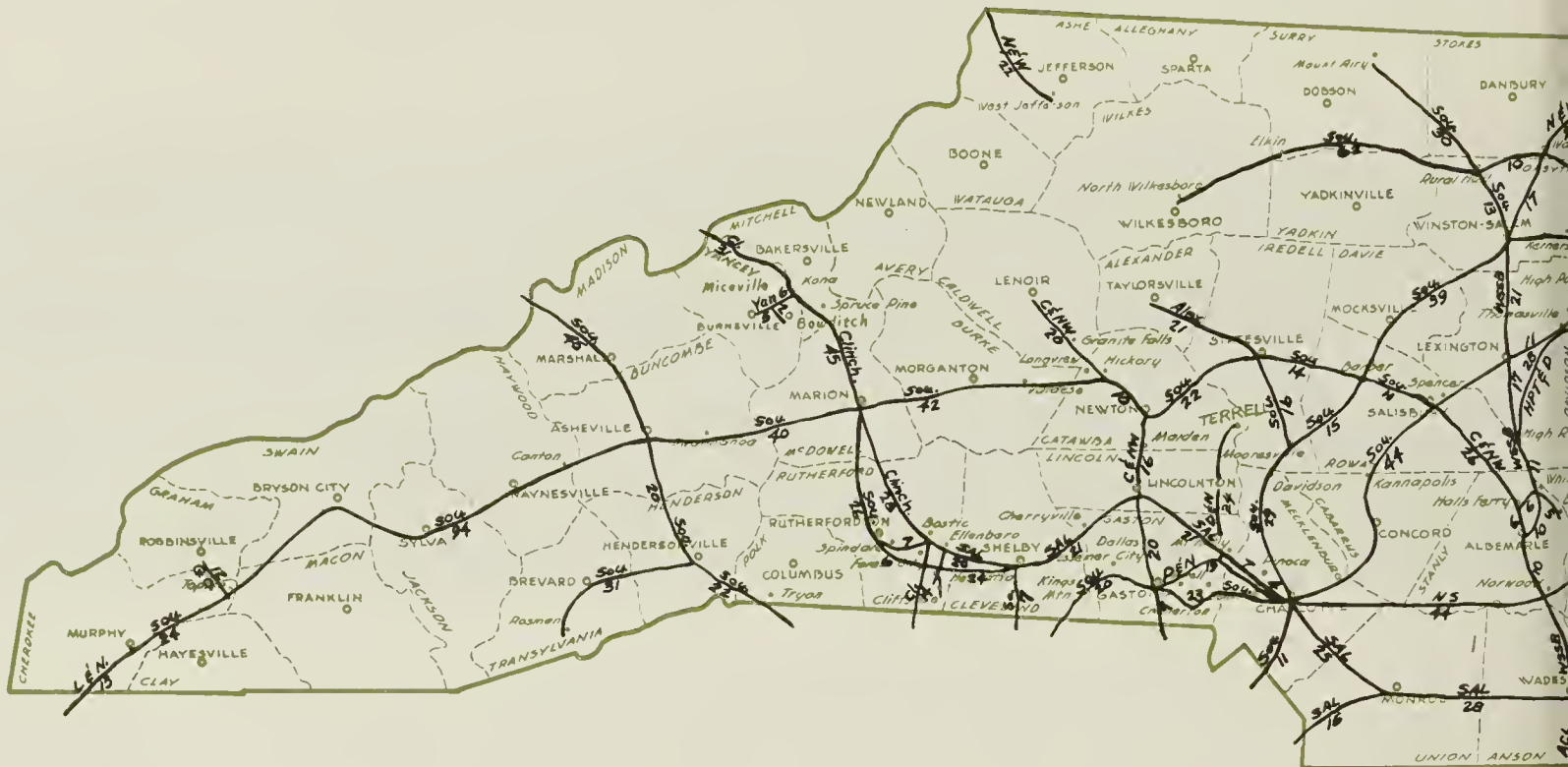
³Includes part-time employees: 1965-22, 1963-30.



VI. The Transportation Industry - Rail

NOTE: Figures shown denote miles between Junctions.

- Railroads
- County Seats
- Other Towns or Junctions



JUNCTIONS NOT SHOWN

- Dixie (SAL-L&S) 2 miles east of Laurinburg
- Edwards Jct. (A&EC-NS) 2 miles west of New Bern
- Cliffside Jct. (SAL CLIFFSIDE) 1 mile north of Henrietta
- Ellenboro-Cliffside Jct. (SAL—6 miles)
- Cliffside Jct.—Cliffside (Cliffside RR-3 mi.)
- Cliffside to Avondale (Cliffside RR 1 mi.)

MAP OF NORTH CAROLINA RAILROADS

PREPARED BY
NORTH CAROLINA UTILITIES COMMISSION
RALEIGH, N.C.
1966



FIGURE NO. 45

RAILROADS OPERATING IN NORTH CAROLINA AS OF DECEMBER 31, 1966

Name	Main Business Office	Class	Abbreviation	North Carolina	Mileage	System	Per Cent in North Carolina
1. Aberdeen and Rockfish Railroad Company	Aberdeen, N. C.	II	A & R	46.92		46.92	100.00
2. Alexander Railroad Company	Taylorsville, N. C.	II	ARC	18.59		18.59	100.00
3. Atlantic and East Carolina Railway Company	Washington, D. C.	II	A & EC	95.25		95.25	100.00
4. Atlantic and Western Railway Company	Sanford, N. C.	II	A & W	3.38		3.38	100.00
5. Atlantic Coast Line Railroad Company	Jacksonville, Fla.	I	ACL	990.65		5,742.82	17.25
6. Beaufort and Morehead Railroad Company, A. T. Leary, Lessee	Beaufort, N. C.	II	B & MH	3.30		3.30	100.00
7. Camp Lejeune Railroad Company	Washington, D. C.	II	CLRR	29.64		29.64	100.00
8. Cape Fear Railways, Incorporated	Fort Bragg, N. C.	II	CFR	10.00		10.00	100.00
9. Carolina and Northwestern Railway Company	Washington, D. C.	II	Car & NW	157.03		283.87	55.32
10. Cliffside Railroad Company	Cliffside, N. C.	II	Cliff	3.70		3.70	100.00
11. Clinchfield Railroad Company	Erwin, Tennessee	I	CC & O	117.40		306.07	38.36
12. Durham and Southern Railway Company	Durham, N. C.	II	D & S	59.10		59.10	100.00
13. Graham County Railroad Company	Robbinsville, N. C.	II	GRR	12.13		12.13	100.00
14. High Point, Thomasville & Denton Railroad Company	High Point, N. C.	II	HPT & D	33.78		33.78	100.00
15. Laurinburg and Southern Railroad Company	Laurinburg, N. C.	II	L & S	27.93		27.93	100.00
16. Louisville and Nashville Railroad Company	Louisville, Kentucky	I	L & N	12.95		5,643.68	0.23
17. Norfolk and Western Railway Company	Roanoke, Virginia	I	N & W	115.03		7,588.09	1.52
18. Norfolk, Franklin and Danville Railway Company	Suffolk, Virginia	II	NF & D	22.04		204.51	10.78
19. Norfolk Southern Railway Company	Raleigh, N. C.	I	NS	575.31		624.10	92.18
20. Piedmont and Northern Railway Company	Charlotte, N. C.	I	P & N	50.10		150.16	33.36
21. Rockingham Railroad Company	Rockingham, N. C.	II	Rock	18.87		18.87	100.00
22. Seaboard Air Line Railroad Company	Richmond, Virginia	I	SAL	627.76		4,122.17	15.23
23. Southern Railway Company	Washington, D. C.	I	Sou	1,283.42		6,253.40	20.52
24. State University Railroad Company	Washington, D. C.	II	SURR	10.15		10.15	100.00
25. Virginia and Carolina Southern Railroad Company	Lumberton, N. C.	II	V & CS	27.11		27.11	100.00
26. Warrenton Rail Road Company	Warrenton, N. C.	II	War	3.00		3.00	100.00
27. Winston-Salem Southbound Railway Company	Jacksonville, Fla.	II	WSS	98.03		98.03	100.00
28. Yancey Railroad Company	Burnsville, N. C.	II	Yancey	12.83		12.83	100.00
TOTALS				4,465.40		31,432.58	14.21

Class I—Railroads having annual revenues of \$5,000,000 or more.A

Class II—Railroads having annual revenues less than \$5,000,000.A

A—Changed to \$5,000,000 or more effective January 1, 1965—previous years:

Class I Railroads had to have \$3,000,000 or more Revenues; and,

Class II Railroads had less than \$3,000,000 annual revenues.

VI. THE TRANSPORTATION INDUSTRY—RAIL

Twenty eight (28) railroads operate 4,465 miles of trackage in North Carolina and are subject to jurisdiction of the Utilities Commission. (See Figure No. 45.) These companies are classified as follows:

Type	Description	Number
Class I	\$5,000,000 or more annual revenue	8
Class II	Less than \$5,000,000 annual revenue	20

All of the Class I railroads in North Carolina have operations in other states; all except two (2) of the Class II railroads confine their operations to the State. The Class I railroads represent over 94 per cent of total rail activity in the state and have a combined annual gross revenue allocated to North Carolina of about 17 times that of the combined revenue for Class II railroads.

Statistical Summary Data

Gross operating revenues allocated to North Carolina rose \$9,332,000 or 6.2 per cent, to a total of \$158,652,000. Operating expenses allocated to North Carolina increased 5.0 per cent in 1966, while total system operating expenses increased 4.2 per cent. Net operating revenues allocated to North Carolina increased at a rate of 10.1 per cent or by \$3,637,000 in 1966. System-wide net operating revenue increased 7.4 per cent to \$488,524,000.

The eight (8) Class I railroads operating within the State showed an increase during 1966 in system-wide net profit of 8.0 per cent over 1965. One of the Class I railroads reported a net loss for 1966. The twenty (20) Class II railroads fared much worse. They had a composite decrease in net income of 35.1 per cent or from \$399,000 in 1965 to 259,000 in 1966. Four (4) of the Class II's showed a net loss in 1966. The small railroads are generally having a more difficult time turning a profit than are the larger railroads regardless of their area of operations.

Passenger train service in North Carolina increased in passengers hauled by 3.3 per cent with related passenger revenue increasing by 4.2 per cent.

Freight activity attributable to North Carolina by both classes of railroads moved up and down during 1966 as follows:

A. Revenues were up 2.8 per cent to 142 million dollars.

B. Tons of freight hauled were up 10.3 per cent to 107 million tons.

C. Freight revenue per ton decreased by 7.0 per cent from \$1.43 in 1965 to \$1.33 in 1966.

Tons of freight originating in North Carolina increased by 1,088,571 tons or 6.2 per cent in 1966 over 1965. This increase brought total railroad freight tonnage originating in North Carolina to 18,560,212 tons which reflects to some extent the rising industrial and economic level of activity in North Carolina. Figure No. 47 shows the tons of revenue freight originating in the State by group and commodity for the years 1960-1966.

The number of railroad employees residing in North Carolina increased from 8,386 in 1965 to 8,516 in 1966.

See Figure No. 48 for additional financial and statistical data on the Class I and II railroads.

Rail Crossings

There are 4,421 highway-railroad grade crossings in North Carolina. Forty-six (46) deaths and 178 injuries occurred at these crossings in 1966. The Utilities Commission has very limited jurisdiction in the elimination of grade crossings and the erection of signaling devices at them since jurisdiction over state highway system roads and links therein, including the proration of costs of relocation and signaling devices, is in the Highway Commission with a statutory provision that 90 per cent of such costs are to be borne by the Highway Commission.

Railroad Hearings of Interest

ICC FINANCE DOCKET NO. 24175—SEABOARD AIR LINE RAILROAD COMPANY DISCONTINUANCE OF TRAINS NOS. 17 AND 18 BETWEEN PORTSMOUTH, VA. AND RALEIGH, N. C. The Seaborad Air Line Railroad Company filed an application with the ICC for authority to discontinue trains Nos. 17 and 18 on the grounds that they were being operated at a loss. The Utilities Commission intervened in opposition to the application and the Traffic Department conducted a three-day on-site study of the operation of these trains. An expert Traffic Department witness, using information gained during the study testified during these proceedings. On October 18, 1966, the ICC issued an order requiring the continuance of these trains for one year and discontinued the investigation.

FIGURE NO. 46

**RAILROAD CLASSES I & II
OPERATING REVENUES, EXPENSES AND RATIO
(North Carolina Data Only)**

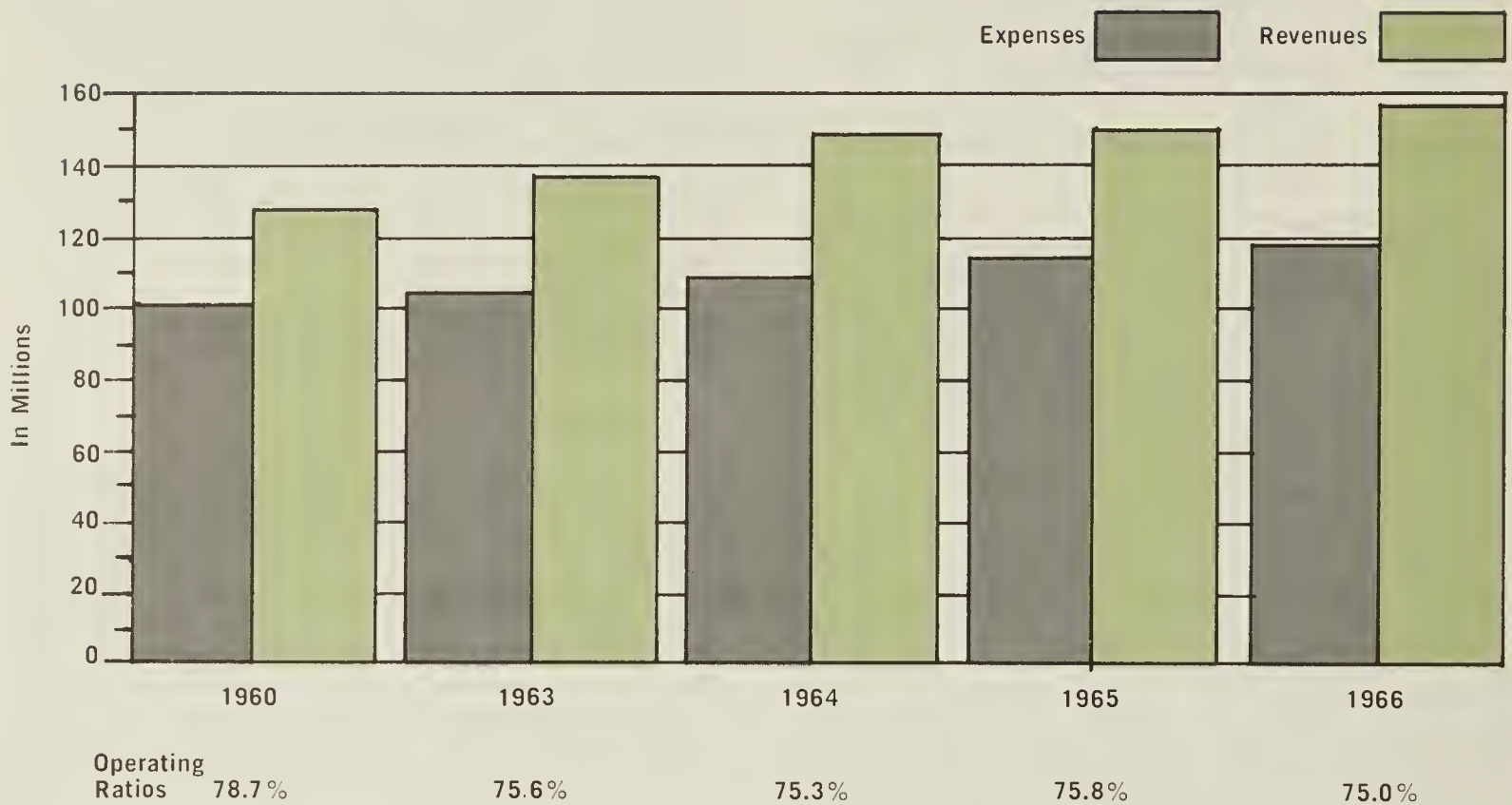


FIGURE NO. 47

**TONS (2,000 LBS.) OF REVENUE FREIGHT BY COMMODITY TYPE
ORIGINATING WITHIN THE STATE OF NORTH CAROLINA
ON THE 28 CLASS I AND II RAILROADS UNDER REGULATION
Data for the Years 1966, 1965, 1964, 1963 and 1960**

Group and Commodity ^a	Tons of Revenue Freight Originating in State					Percent Change More (Less)			
	1966	1965	1964	1963	1960	1966 over 1965	1965 over 1964	1964 over 1963	1963 over 1960
Group I—Products of Agriculture.....	1,372,058	1,487,739	1,304,709	740,529	766,183	(7.8)	14.0	76.2	(3.3)
Group II—Animals and Products.....	139	6,996	13,210	28,697	36,318	(98.0)	(47.0)	(54.0)	(21.0)
Group III—Products of Mines.....	5,092,901	5,421,150	5,587,621	5,066,696	4,903,639	(6.1)	(3.0)	10.3	3.3
Group IV—Products of Forests.....	5,234,662	4,638,721	4,317,844	3,616,897	3,646,664	12.8	7.4	19.4	(.8)
Group V—Manufacturers and Miscellaneous.....	6,836,695	5,883,743	5,406,768	5,139,607	4,294,405	16.2	8.8	5.2	19.7
Group VI—Forwarder Traffic.....	Not Appl.								
Group VIII—All Less than Carload Freight (LCL).....	23,757	33,292	45,067	49,685	91,761	(28.6)	(26.1)	(9.3)	(45.9)
Total for all Groups.....	18,560,212	17,471,641	16,675,219	14,642,111	13,738,970	6.2	4.8	13.9	6.6

Not Appl.—Not Applicable

^aCommodities were regrouped in 1964. Group data for 1964 & 1963 may not be comparable. Total for all Group data is comparable.

FIGURE NO. 48

RAILROADS—CLASS I AND II
Summary of Selected Income, Expense, Balance Sheet and Statistical Items
For the Calendar Years 1960, 1963, 1964, 1965 and 1966
All Railroads Under Regulation Included in this Data

Items	Allocation of Data	Class I (\$5,000,000 or More—Operating Revenues)					Percent Change More (Less)	
		1960	1963	1964	1965	1966	1964 to 1965	1965 to 1966
Number of Companies covered by Data.....								
Income and Expense Items (in thousands)								
Operating Revenues (000).....	N. C. Total	\$ 120,401	\$ 129,839	\$ 135,309	\$ 140,701	\$ 149,704	4.0	6.4
Operating Expenses (000) ³	N. C. Total	1,083,951	1,184,585	1,290,849	1,592,074	1,671,069	23.3	5.0
Net Revenues from Railway Operation (000).....	N. C. Total	95,518	99,024	103,148	107,743	113,192	4.5	5.1
Operating Ratio (Percent).....	N. C. Total	866,136	939,956	922,121	1,141,031	1,187,720	23.7	4.1
Fixed Charges (000).....	N. C. Total	24,883	30,815	32,161	32,958	36,512	2.5	10.8
Net Income (000).....	N. C. Total	217,815	244,629	368,728	451,043	483,349	22.3	7.2
State Income Taxes (000).....	N. C. Total	79.3%	76.3%	76.2%	76.6%	75.6%	.5	(1.3)
Real Estate & Personal Property Taxes (000).....	N. C. Total	79.9%	79.4%	71.4%	71.7%	71.1%	.3	(.8)
Other N. C. Taxes (000).....	N. C. Total	128,663	52,296	76,934	82,308	92,359	7.0	12.2
Total Tax Accruals (000).....	N. C. Total	Na	154,559	161,971	184,718	199,501	14.0	8.0
Balance Sheet Items (in thousands)								
Net Book Value of Transportation Property.....	N. C. Total	Na	Na	3,385	3,394	2,654	.3	(21.8)
Statistics:								
Average Mileage of Road Operated.....	N. C. Total	2,873,588	3,133,941	3,607,674	3,816,261	4,115,945	5.8	7.9
Freight Revenue (in thousands).....	N. C. Total	\$ 3,722	\$ 3,728	\$ 3,748	\$ 3,743	\$ 3,749	(.1)	.2
Tons of Revenue Freight Hauled.....	N. C. Total	25,434	25,556	30,387	30,343	30,431	(.1)	.3
Freight Revenue Per Ton.....	N. C. Total	104,098	114,228	119,394	130,134	133,745	9.0	2.8
Gallons Diesel Fuel Purchased or Used.....	N. C. Total	958,647	1,061,956	1,163,535	1,449,866	1,529,163	24.6	5.5
Passenger Revenue.....	N. C. Total	63,635,589	75,223,499	80,356,188	86,772,376	96,244,825	8.0	10.9
Passengers Hauled.....	N. C. Total	348,481,324	389,357,555	427,199,000	506,306,898	530,083,963	18.5	4.7
Revenue Per Passenger.....	N. C. Total	\$ 1.64	\$ 1.52	\$ 1.49	\$ 1.50	\$ 1.39	.7	(7.3)
Number of Employees Allocated.....	N. C. Total	2,775	2,73	2,72	2,86	2,88	5.1	.7
Total Compensation of Employees ²	N. C. Total	\$ 41,614,294	\$ 44,213,977	\$ 45,186,938	\$ 49,948,883	\$ 57,636,955	10.5	15.4
Average Annual Compensation Per Employee.....	N. C. Total	\$ 8,794,565	\$ 7,852,297	\$ 7,778,897	\$ 7,549,847	\$ 7,866,738	(2.9)	4.2
Highway—Railroad Grade Crossing.....	N. C. Total	2,009,385	1,758,970	1,802,307	1,763,678	1,823,155	(2.1)	3.4
Number Killed—Grade Crossing Accidents.....	N. C. Total	4.38	4.46	4.32	4.28	4.31	(.9)	.7
Number Injured—Grade Crossing Accidents.....	N. C. Total	9,978	8,696	8,370	7,802	7,967	(6.8)	2.1
	N. C. Total	\$ 56,258,447	\$ 50,835,837	\$ 52,323,483	\$ 53,604,342	\$ 54,748,545	2.4	2.1
	N. C. Total	5,163	5,195	6,251	6,871	6,872	9.9	.01
	N. C. Total	3,779	3,447	3,441	3,448	3,450	.2	.1
	N. C. Total	Not Avail.	Not Avail.	45	57	38	26.7	(33.3)
	N. C. Total	do	do	107	133	150	24.3	12.8

¹All Class II roads did not report.²Includes some estimated data.³Before tax accruals and net rents.⁴Includes Federal Taxes.

Na or Not Avail.—Not Available.

FIGURE NO. 48—Continued

RAILROADS—CLASS I AND II
Summary of Selected Income, Expense, Balance Sheet and Statistical Items
For the Calendar Years 1960, 1963, 1964, 1965 and 1966
All Railroads Under Regulation Included in this Data

Items	Allocation of Data	Class II—All Class II Railroads except two are wholly Intrastate (Less than \$5,000,000 Operating Revenues)					Percent Change	
		1960	1963	1964	1965	1966	1964 to 1965	1965 to 1966
Number of Companies covered by Data.....		21	21	21	21	20		
Income and Expense Items (in thousands).....								
Operating Revenues (000).....	N. C. Total	\$ 7,104	\$ 7,870	\$ 8,472	\$ 8,619	\$ 8,948	1.7	3.8
Operating Expenses (000) ³	N. C. Total	9,913	10,853	11,306	11,390	14,584	.7	28.0
Net Revenues from Railway Operations (000).....	N. C. Total	4,771	5,121	5,162	5,483	5,729	6.2	4.5
Operating Ratio (Percent).....	N. C. Total	6,888	7,204	7,166	7,624	9,409	6.4	23.4
Fixed Charges (000).....	N. C. Total	2,333	2,749	3,310	3,136	3,219	(5.3)	2.6
Net Income (000).....	N. C. Total	3,025	3,649	4,140	3,766	5,175	(9.0)	37.4
State Income Taxes (000).....	N. C. Total	67.2%	65.1%	60.9%	63.6%	64.0%	4.4	.6
Real Estate & Personal Property Taxes (000).....	N. C. Total	69.5%	66.4%	63.4%	66.9%	64.5%	5.6	(3.6)
Other N. C. Taxes (000).....	N. C. Total	485	385	519	615	343	18.5	(44.1)
Total Tax Accruals (000).....	N. C. Total	(211)	349	552	399	259	(27.7)	(35.1)
Balance Sheet Items (in thousands).....	N. C. Total	Na	Na	48	35	44	(27.1)	25.8
Net Book Value of Transportation Property.....	N. C. Total	Na	Na	148	157	128	6.1	(18.5)
Statistics:	N. C. Total	Na	Na	441 ⁴	331 ⁴	419	(24.9)	26.4
Average Mileage of Road Operated.....	N. C. Total	Na	Na	523	591	591	(17.9)	13.0
Freight Revenue (in thousands).....	N. C. Total	Na	Na	925	848	1,075	(8.3)	26.8
Tons of Revenue Freight Hauled.....	Total	\$ 11,797	\$ 11,821	\$ 16,521	\$ 17,799	\$ 11,799	7.7	(33.7)
Freight Revenue Per Ton.....	N. C. Total	697	700	721	721	694	-0-	(3.7)
Gallons Diesel Fuel Purchased or Used.....	N. C. Total	1,037	1,032	1,031	1,028	1,183	(.3)	15.1
Passenger Revenue.....	N. C. Total	6,930	7,623	8,198	8,261	8,505	.8	3.0
Passengers Hauled.....	N. C. Total	9,696	10,538	10,961	10,954	13,849	(.1)	26.4
Revenue Per Passenger.....	N. C. Total	7,348,480	8,490,147	9,340,448	9,960,601	10,412,451	6.6	4.5
Number of Employees Allocated.....	N. C. Total	9,008,882	10,237,241	10,769,186	11,464,364	15,015,365	6.5	31.0
Total Compensation of Employees ²	N. C. Total	.94	.90	.88	.83	.82	(5.7)	(1.2)
Average Annual Compensation Per Employee.....	N. C. Total	1.08	1.03	1.02	.96	.92	(5.9)	(4.2)
Highway—Railroad Grade Crossing.....	N. C. Total	1,285,794	1,313,280	1,525,138	1,757,426	2,276,780	15.2	29.6
Number Killed—Grade Crossing Accidents.....	N. C. Total	1,714	755	470	592	113	26.0	(80.9)
Number Injured—Grade Crossing Accidents.....	N. C. Total	3,334	446	702	844	Na	20.2	Na
	N. C. Total	.51	1.69	.67	.70	Na	4.5	Na
	N. C. Total	599	547	542	584	549	7.7	(6.0)
	N. C. Total	2,513,665	2,562,329	2,614,056	2,851,283	2,863,447	9.1	.4
	N. C. Total	3,529	4,146	4,251	4,882	5,216	14.8	6.8
	N. C. Total	640 ¹	643 ¹	729	973	971	33.5	(.2)
	N. C. Total	Not Avail.	Not Avail.	2	7	8	230.0	14.3
	N. C. Total	do	do	26	11	28	(57.7)	154.5

¹All Class II roads did not report.²Includes some estimated data.³Before tax accruals and net rents.⁴Includes Federal Taxes.

Na or Not Avail.—Not Available.

FIGURE NO. 48—Continued

RAILROADS—CLASS I AND II
Summary of Selected Income, Expense, Balance Sheet and Statistical Items
For the Calendar Years 1960, 1963, 1964, 1965 and 1966
All Railroads Under Regulation Included in this Data

Items	Allocation of Data	Class I and II Totals					Percent Change More (Less) 1964 to 1965	Percent Change More (Less) 1965 to 1966
		1960	1963	1964	1965	1966		
Number of Companies Covered by Data-----								
Income and Expense Items (in thousands)								
Operating Revenues-----	N. C. Total	\$ 127,505	\$ 137,709	\$ 143,781	\$ 149,320	\$ 158,652	3.9	6.2
	N. C.	1,093,864	1,195,438	1,302,155	1,603,464	1,685,653	23.1	5.1
Operating Expenses ³ -----	N. C. Total	873,024	947,160	929,287	1,148,655	1,197,129	23.6	4.2
Net Revenues from Railway Operations-----	N. C. Total	27,216	33,564	35,471	36,094	39,731	1.8	10.1
Operating Ratio (Percent)-----	N. C. Total	78.7%	75.6%	75.3%	75.8%	75.0%	22.0	7.4
Fixed Charges-----	N. C. Total	79.8%	79.2%	71.4%	71.6%	71.0%	.7	(1.1)
Net Income-----	N. C. Total	48,718	52,681	77,453	82,923	92,702	.4	(.8)
State Income Taxes-----	N. C. Total	128,452	154,908	162,523	185,117	199,760	7.1	11.8
Real Estate & Personal Property Taxes-----	N. C. Total	Na	Na	546	447	532	13.9	19.0
Other N. C. Taxes-----	N. C. Total	Na	Na	3,533	3,551	2,782	.5	(21.7)
Total Tax Accruals-----	N. C. Total	Na	Na	1,056	1,089	2,194	3.1	101.5
Balance Sheet Items (in thousands)								
Net Book Value of Transportation Property-----	Total	\$ 2,885,385	\$ 3,145,762	\$ 3,624,195	\$ 3,834,060	\$ 4,127,744	5.8	7.7
Statistics:								
Average Mileage of Road Operated-----	N. C. Total	4,419	4,428	4,469	4,464	4,443	(.1)	(.5)
Freight Revenue (in thousands)-----	N. C. Total	\$ 26,471	\$ 26,588	\$ 31,418	\$ 31,371	\$ 31,614	(.1)	(.8)
Tons of Revenue Freight Hauled-----	N. C. Total	968,343	1,072,494	1,174,496	1,460,820	1,543,012	24.4	5.6
Freight Revenue Per Ton-----	N. C. Total	\$ 357,490,206	\$ 399,594,796	\$ 437,968,186	\$ 517,771,262	\$ 545,099,328	18.2	5.3
Gallons Diesel Fuel Purchased or Used-----	N. C. Total	1.56	1.46	1.42	1.43	1.33	.7	(7.0)
Passenger Revenue-----	N. C. Total	2.71	2.68	2.68	2.82	2.83	5.2	.4
Passengers Hauled-----	N. C. Total	42,900,088	45,527,257	46,712,076	51,706,309	59,913,735	10.7	15.9
Revenue Per Passenger-----	N. C. Total	\$ 8,796,279	\$ 7,853,052	\$ 7,779,367	\$ 7,550,439	\$ 7,866,851	(2.9)	4.2
Number of Employees Allocated-----	N. C. Total	2,012,719	1,759,416	1,803,009	1,764,522	1,823,155	(2.1)	3.3
Total Compensation of Employees ² -----	N. C. Total	\$ 4.37	\$ 4.46	\$ 4.31	\$ 4.28	\$ 4.31	(.7)	.7
Average Annual Compensation Per Employee-----	N. C. Total	\$ 10,577	\$ 9,243	\$ 8,912	\$ 8,386	\$ 8,516	(4.0)	1.6
Highway—Railroad Grade Crossing-----	N. C. Total	\$ 58,772,112	\$ 53,398,166	\$ 54,937,539	\$ 56,455,625	\$ 57,611,992	2.8	2.0
Number Killed—Grade Crossing Accidents-----	N. C. Total	5,557	5,777	6,164	6,732	6,765	9.2	.5
Number Injured—Grade Crossing Accidents-----	N. C. Total	4,419	4,090	4,170	4,421	4,421	6.0	-0-
		Not Avail.	Not Avail.	47	64	46	36.2	(28.1)
		do	do	133	144	178	8.3	23.6

¹All Class II roads did not report.³Before tax accruals and net rents.

Na or Not Avail—Not Available.

²Includes some estimated data.



VII. Water And Sewer Companies

FIGURE NO. 49

**WATER AND SEWER SYSTEMS CERTIFICATES
OF CONVENIENCE AND NECESSITY GRANTED
DURING 1966**

Company	Date of Order	Docket & Sub. No.	Type Service	General Service Area	Initial No. of Customers or Lots to be served
Brookwood Water Company.....	3-23-66	W-177, Sub 1	Water	Arran Lake, Anna Hills, Brentwood Subdivision, Brentwood School—Hollywood Heights Subdivision (near Fayetteville)	778
Brookwood Water Company.....	11-23-66	W-177, Sub 2	Water	Emerald Gardens Subdivision & a portion of Arran Hills Subdivision (Fayetteville)	77
*Bullock, Hoke E.....	7-6-66	W-217	Water	Medfield Estates Subdivision (2 miles West of Raleigh)	340
Catawba Water Supply, Inc.....	6-23-66	W-179, Sub 3	Water	Colonial Heights Subdivision (Between Hickory & Conover)	90
*Devonshire Manor Utilities Co.....	1-10-66	W-212	Water & Sewerage	Devonshire Manor (6 miles Southwest of Durham)	53
*Ervin Construction Company, Inc....	10-4-66	W-220	Water & Sewerage	Starmount # 10 Subdivision (South of Charlotte)	120
*Franks Electric Company, Inc.....	4-7-66	W-213	Water	Rolling Heights Subdivision 1, 2 & 3 (5 miles Southwest of Lexington)	120
*Gentry, Newton C.....	10-4-66	W-221	Water	Newton C. Gentry Property (6½ miles from Granite Falls)	58
*Greenfield Heights Development Company, Inc.....	1-10-66	W-205	Water & Sewerage	Greenfield Heights Subdivision (Craven County)	50
*Harnett Lakes Company.....	1-18-66	W-210	Water	Harnett Lakes Water Co. Development (5 miles North of Spring Lake)	86
*Hydraulics, Limited.....	6-26-66	W-218	Water	Wilshire Estates Subdivision (2.7 miles Southwest of Winston-Salem)	89
Hydraulics, Limited.....	6-24-66	W-218, Sub 1	Water	Dunwoody Subdivision (1½ miles West of King)	45
Hydraulics, Limited.....	12-22-66	W-218, Sub 2	Water	Holiday Hills Subdivision (3 miles Southeast of Greensboro)	62
Kindellwood Water Company.....	2-25-66	W-196, Sub 1	Water	Julie Heights Subdivision (5 miles Northwest of Fayetteville)	93
Kindellwood Water Company.....	2-25-66	W-196, Sub 2	Water	Tranquil Acres Subdivision (4 miles Northeast of Fayetteville)	83
*Matthews Utilities, Inc.....	10-4-66	W-219	Water	Westmoreland Subdivision (West of Charlotte)	77
Overhills Water Company, Inc.....	5-11-66	W-175, Sub 1	Sewerage	Rose Manor Park Subdivision (3 miles from Smithfield)	73
Overhills Water Company, Inc.....	5-11-66	W-175, Sub 2	Water	Ponderosa Subdivision (2 miles from Dunn)	63
*Rural Utilities, Inc.....	6-3-66	W-214	Water & Sewerage	Thornfield Subdivision (10 miles from Charlotte)	400
Southeastern Water and Utilities, Co.	11-7-66	W-61, Sub 6	Water	Roaring Gap Section (Alleghany County)	160
*Taylor, John R., Company, Inc.....	1-20-66	W-211	Sewerage	Hunting Valley (Near Sedgfield)	20
*Water, Inc.....	7-14-66	W-216	Water	Bragg Estates, Inc. (3 miles North of Spring Lake)	150
*Westport Waterworks.....	1-28-66	W-209	Water	Wesport Subdivision (22 miles North of Charlotte)	320
*Regional Utility Company.....	6-24-66	S-2	Sewerage	Bent Creek Subdivision (Buncombe County)	280
*Waller, Dr. Louis C.....	6-16-66	S-1	Sewerage	Woodside Hills Subdivision (4 miles West of Asheville)	70
Waller, Dr. Louis C.....	11-4-66	S-1, Sub 1	Sewerage	Enka School & other areas in close proximity to Woodside Hills Subdivision (4 miles West of Asheville)	25

*New Water and Sewerage Companies

VII. WATER AND SEWER SERVICES

A total of 126 water and sewer companies were under Commission regulation at December 31, 1966. Those persons or companies selling water to less than twenty-five (25) residential customers are by statute exempted from regulation.

New water and sewer companies generally are not formed as independent profitmaking ventures; rather they generally come into existence by capitalization from the developers of subdivisions who must arrange for central systems to enhance the market for their land and houses. Very often these new companies are adjoining or near municipalities with immediate likelihood that the city will encompass the area and take over the water and sewer system from the original owner.

During 1966, twenty-six (26) additional certificates of public convenience and necessity were issued to water and sewer companies. (See Figure No. 49.) Certificates of seven water companies were cancelled at the request of the applicant during 1966.

Prior to issuing a Certificate of Public Convenience and Necessity to a water company, the Commission, among other things, requires complete cost and rate data, approval by appropriate health authorities, proof of adequate design and supply potential, and financial qualifications. Customer service complaints are substantial. These are investigated and settled informally, or if necessary, resolved through public hearings.

Statistical Summary Data

Of the 126 water and sewer companies under regulation as of December 31, 1966, only 34 have oper-

ations large enough and records in sufficient detail to permit reliable comparative data to be developed. The financial and statistical data for these 34 companies is shown in summary form in Figure No. 50. Most of the analysis that follows is based on data of the 34 companies grouped as follows:

7 Class C Companies—\$50,000 and over annual gross operating revenues

7 Class D Companies—\$10,000 to \$50,000 annual gross operating revenues

20 Companies with \$3,000 to \$10,000 annual gross operating revenues

During 1966 about 12.0 per cent of the hearings before the Commission involved water and sewer companies, and a large volume of staff work was required in their regulation. The water and sewer companies serve only about 28,000 customers. Of the 126 companies regulated, 65 have 200 or less customers each while only 6 have as many as 1,000 customers. Hamlet Water Company, with 3,342 customers, is the largest company under regulation.

Average use of water per residential customer per month for the 34 companies for which data has been compiled was 5,777 gallons at an average monthly cost of \$4.45. This is a slight increase in usage and a decrease in cost per gallon used.

Gross plant investment for the 34 selected water and sewer companies increased by 3.1 per cent to \$8,438,084 in 1966. This was equal to a gross plant investment per customer of \$406.20 vs. \$403.39 in 1965 or an increase of .7 per cent.

Operating revenues, expenses and net operating revenues showed an increase in 1966 over 1965 with the operating ratio remaining almost constant at 93.3 in 1966 vs. 93.2 per cent for 1965.

FIGURE NO. 50

WATER AND SEWER COMPANIES
Summary of Selected Financial and Statistical Data of 34 Water Companies of
Various Sizes Operating in North Carolina
Data for the Calendar Years Ending December 31, 1960, 1963, 1964, 1965 and 1966

Item	Years					Percent Change—More (Less)			
	1960	1963	1964	1965	1966	1960 to 1963	1963 to 1964	1964 to 1965	1965 to 1966
Total Companies Regulated-----	94	107	106	117	126				
Total Companies included in this Data-----	34	34	34	34	34				
Income Items									
Operating Revenues-----	\$ 685,377	\$ 1,063,449	\$ 1,053,938	\$ 1,100,018	\$ 1,204,622	55.2	(.9)	4.4	9.5
Expense Items									
Operation and Maintenance-----	\$ 419,048	\$ 574,143	\$ 624,141	\$ 651,574	\$ 705,372	37.0	8.7	4.3	8.3
Depreciation and Amortization-----	108,100	201,051	197,140	222,761	254,985	86.0	(1.9)	13.0	14.3
Taxes Other Than Income Taxes-----	66,263	94,768	90,429	98,274	108,379	43.0	(4.6)	8.7	10.3
Federal Income Taxes-----	19,746	59,824	54,205	43,519	46,975	203.0	(9.4)	(19.7)	7.9
State Income Taxes-----	\$ 3,979	\$ 11,940	\$ 15,677	\$ 9,841	\$ 7,233	200.0	31.3	(37.2)	(26.5)
Total Operating Expenses-----	\$ 617,136	\$ 941,726	\$ 981,592	\$ 1,025,969	\$ 1,122,644	52.6	4.2	4.5	9.4
Net Operating Revenues-----	\$ 68,241	\$ 121,723	\$ 72,346	\$ 74,049	\$ 81,978	78.4	(40.6)	2.4	10.7
Operating Ratio (Total Operating Expenses to Total Operating Revenues)-----	90.0	88.6	93.1	93.2	93.3	(1.6)	5.1	.1	.1
Balance Sheet Items									
Utility Plant in Service (Gross)-----	\$ 4,776,583	\$ 7,011,279	\$ 7,148,451	\$ 8,036,377	\$ 8,438,084	46.8	2.0	12.4	4.9
Depreciation and Amortization Reserve-----	1,583,953	2,136,147	2,243,170	2,386,304	2,611,310	34.9	5.0	6.4	9.4
Utility Plant in Service (Net)-----	\$ 3,192,630	\$ 4,875,132	\$ 4,905,281	\$ 5,650,073	\$ 5,826,774	52.7	.6	15.2	3.1
Statistics									
Customers—Year End (All Classes)-----	14,166	19,522	18,814	19,922	20,773	37.8	(3.6)	5.9	4.3
Average Gallons of Water Used Per Customer ¹ -----	54,977	64,260	62,880	64,989	69,330	16.9	(2.1)	3.4	6.7
Average Annual Revenue Per Customer-----	\$ 38.66	\$ 48.68	\$ 56.29	\$ 52.44	\$ 53.45	26.0	15.6	(6.8)	1.9
Gross Plant Investment Per Customer-----	\$ 337.19	\$ 359.15	\$ 379.95	\$ 403.39	\$ 406.20	6.5	5.8	6.2	.7

¹ Adjusted to eliminate unusually large industrial customers.

VIII. Investigations And Inspections

INVESTIGATIONS AND INSPECTIONS

G.S. 62-277 of the Public Utilities Act of 1963, which became effective January 1, 1964, vested the transportation inspectors and special investigators employed by the Commission with the same enforcement and police powers as members of the State Highway Patrol in enforcing provisions of the law applicable to motor transportation as they relate to the functions of the Utilities Commission.

During 1966, these inspectors made investigations or inspections and travelled as shown in Figure No. 51.

The inspection of buses for required safety standards has been more exacting since January 1, 1964, than previously and, when buses are inspected, the companies are required to make such repairs as are necessary for safety of operations. All infrac-

tions of safety rules on equipment discovered during the process of inspection are reported to the Commission. During the year, the Commission caused 85 buses to be grounded for safety reasons. An additional 379 corrections were ordered made on the spot. All violations of motor freight carriers detected are reported to the Commission, which in turn requires compliance with the law and the Commission's Rules and Regulations pursuant thereto. Bus stations and rail stations are inspected for sanitation and passenger comfort. Each station inspected is graded, and a report is made to the Commission. During 1966, 13 bus stations failed to obtain a passing mark of 85 per cent. No. railroad stations failed to obtain a passing mark. Eight hundred twelve (812) minor violations by motor freight carriers were detected and corrected. The inspection program has been of material effect in establishing the excellent safety record of motor carriers in North Carolina.

FIGURE NO. 51
SUMMARY OF INVESTIGATION AND INSPECTIONS
FOR THE CALENDAR YEAR 1966

Item and Major Reason for Investigations and Inspections	Number of Items Investigated or Inspected	Number Passed	Number Failed	Number Grounded	Number Violations
Stations—For Adequacy & Sanitation:					
Bus.....	1,991	1,978	13		
Railroad.....	684	684	0		
Buses—Equipment and Safety Factors.....	8,170	7,706	464 ¹	85	
Trucks—Equipment, Safety Factors & compliance with Rules.....	11,700	11,204	496		812
Freight Terminals—Compliance with Rules.....	718				
Complaints by Competitors, Consuming Public and Commission Initiated Probes:					
Bus Companies.....	99				
Truck Companies.....	782				
Railroads.....	216				
Telephone Companies.....	3				
Taxicab Companies.....	0				
Water Companies.....	12				
Accidents.....	0				
Electric Companies.....	0				
Household and Furniture Moves.....	0				
Accuracy and Methods of Quoting Schedules.....	495				
Total Miles traveled by Investigators and Inspectors:					
By Bus.....				1,423	
By Railway.....				0	
By Car.....				317,589	
Total.....				319,012	

¹Includes number of Buses Grounded.

IX. Securities Audits And Annual Reports

FIGURE NO. 52

FINANCING AND ACCOUNTING MATTERS—SECURITY ISSUES—NEW CAPITAL*
For the Calendar Year 1966

Name of Company	Docket No.	Date of Order	Total Amount Authorized	Stated Int. Rate or Offering Price	Common Stock	Preferred Stock	Bonds and Debentures	REA and Other Long Term Notes
ELECTRIC								
Carolina Power and Light Co.	E-2, Sub 218	4-5-66	\$ 10,425,000	\$41.70	\$ 10,425,000			
Carolina Power and Light Co.	E-2, Sub 128	4-14-66	30,000,000	5 1/8%		\$ 35,000,000	\$ 30,000,000	
Duke Power Co.	E-7, Sub 91	8-23-66	35,000,000	5.75%				
Roselle Lighting Co.	E-19, Sub 10	10-26-66	12,000	\$10.00	12,000			
Virginia Electric & Power Co.	E-22, Sub 87	5-3-66	50,000,000	3 3/8%			50,000,000	Convertible (Debentures)
Total Electric			\$125,437,000		\$ 10,437,000	\$ 35,000,000	\$ 80,000,000	
GAS								
Carolina Natural Gas Corp.	G-8, Sub 32	4-20-66	\$ 600,000	5 7/8%			\$ 600,000	
Pennsylvania & Southern Gas Co.	G-3, Sub 30	2-18-66	195,388	\$ 1.25	\$ 195,388			
Pennsylvania & Southern Gas Co.	G-3, Sub 32	4-6-66	800,000	5 3/8%		\$ 4,000,000	800,000	
Public Service Co. of N. C., Inc.	G-5, Sub 56	8-25-66	4,000,000	6.00%				
Total Gas			\$ 5,595,388		\$ 195,388	\$ 4,000,000	\$ 1,400,000	
TRUCKS								
Lowther Trucking Co.	T-444, Sub 11	3-2-66	\$ 5,000	6.00%				\$ 5,000
H & P Transit Co.	T-151, Sub 4	4-27-66	33,200	\$10.00	\$ 33,200			
Total Trucks			\$ 38,200		\$ 33,200			\$ 5,000
TELEPHONES								
Carolina Telephone & Telegraph Co.	P-7, Sub 399	2-23-66	\$ 12,000,000	5.00%				
Carolina Telephone & Telegraph Co.	P-7, Sub 346	6-7-66	533,333	\$ 6.66 2/3	\$ 533,333			
Carolina Telephone & Telegraph Co.	P-7, Sub 365	10-26-66	4,779,120	\$14.25	4,779,120		\$ 12,000,000	
Central Telephone Co.	P-10, Sub 224	2-8-66	813,000	2.00%	813,000			
Central Telephone Co.**	P-10, Sub 233	8-24-66	370,910		370,910			
Central Telephone Co.	P-10, Sub 234	9-22-66	6,000,000	6 1/4%				\$ 6,000,000
Central Telephone Co.	P-10, Sub 236	11-30-66	3,375,000	2.00%	3,375,000			

*Funds provided through sale of Security Issues are usable for entire company operations.

**Acquisition of the Assets and Liabilities of an out-of-state telephone company (Worthington Telephone Company)

B—Bonds

S—Stocks

FIGURE NO. 52—Continued

FINANCING AND ACCOUNTING MATTERS—SECURITY ISSUES—NEW CAPITAL*
For the Calendar Year 1966

Name of Company	Docket No.	Date of Order	Total Amount Authorized	Stated Int. Rate or Offering Price	Common Stock	Preferred Stock	Bonds and Debentures	REA and Other Long Term Notes
TELEPHONES—Continued								
Denton Telephone Co.-----	P-18, Sub 17	12-7-66	\$ 65,000	6 1/4%				\$ 65,000
Cooleemee Telephone Co.-----	P-17, Sub 23	9-29-66	40,000	6.00%				40,000
Ellerbe Telephone Co.-----	P-21, Sub 16	8-31-66	155,000	2.00%			\$ 12,000,000	155,000
General Telephone Co. of the Southeast-----	P-19, Sub 90	11-2-66	21,000,000	\$25.00	\$ 9,000,000			
Lee Telephone Co.-----	P-29, Sub 44	8-31-66	180,000		180,000			
Lee Telephone Co.-----	P-29, Sub 45	11-29-66	3,500,000	6 3/8%			3,500,000	
Lexington Telephone Co.-----	P-31, Sub 68	8-23-66	302,400	\$21.60	302,400			
Moorestville Telephone Co., Inc.-----	P-37, Sub 33	7-26-66	100,000	\$25.00	100,000			
Norfolk and Carolina Tel. Co.-----	P-40, Sub 84	7-12-66	1,400,000	6.00%			1,400,000	
North State Telephone Co.-----	P-42, Sub 55	10-3-66	1,500,000	6.00%				1,500,000
Sandhill Telephone Co.-----	P-53, Sub 23	11-30-66	150,000	5 3/4%				150,000
United Telephone Company of the Carolinas-----	P-9, Sub 89	5-23-66	2,800,000	5 1/2% B	1,000,000		1,800,000	
				\$25.00S				
Westco and Western Carolina Telephone Companies-----	P-78, Sub 8	4-19-66	720,000	2.00%				576,000
Western Carolina Telephone Co.-----	P-58, Sub 57	5-17-66	1,250,000	5.00S	144,000		1,250,000	
Total Telephones-----			\$ 61,033,763	5 3/4%	\$ 20,597,763		\$ 31,950,000	\$ 8,486,000
TELEGRAPH								
Western Union-----	WU 60	12-6-66	150,000,000	98.875%			50,000,000	100,000,000
Total Telegraph-----			\$150,000,000				\$ 50,000,000	\$100,000,000
WATER AND SEWERAGE								
Scientific Water and Sewerage Corp.-----	W-176, Sub 2	6-23-66	40,000	5 1/2%				40,000
Total Water and Sewerage-----			\$ 40,000					\$ 40,000
Grand Total-----			\$342,144,351		\$ 31,263,351	\$ 39,000,000	\$163,350,000	\$108,531,000

SECURITIES, AUDITS, AND ANNUAL REPORTS

Securities Issues

During the year 1966 the Commission analyzed and approved thirty-four (34) applications for utilities securities issues aggregating \$342,144,351. This compares to 38 approved securities issues totalling \$183,199,380 for the calendar year 1965.

The Division of Accounts processes these applications and reports their findings to the full Commission. Consideration is given to the present and projected earnings position of the company, the effect of the projected issue on the company's capital structure, expenses of the issue, estimated net yield, probable market price per unit, the purposes of the issue and the use to which the proceeds are to be applied, whether the issue is within the corporate authority of the applicant, and whether the issue is compatible with the overall public interest.

The new capital raised through the sale of securities was primarily applied in utility plant expansion and modernization and improvement of existing plant to meet increased demands for additional and improved service. Figure No. 52 shows detailed data for each securities issue in 1966.

Audits

In addition to processing and advising the Commission upon applications for approval of securities issues, the Division of Accounts, at the direction of the Commission, performed extensive field audits of the operations of 24 public utilities during 1966.

The results of each of these audits are typed and bound into a permanent report giving the Division of Accounts findings, exhibits, and recommendations. The Commission requires a field audit of any company making application for a substantial increase in all, or a portion, of its rates. A brief summary of audits for 1966 follows:

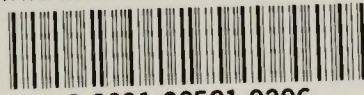
Type of Utility	Number of Examinations
Motor Passenger Carriers	1
Electric	1
Telephone	13
Water and Sewer	9
	—
Total	24

Annual Reports

Some 910 public utilities and 82 non-regulated municipal utility systems are required to file annual financial and operating reports with the Commission. Except for the reports of 28 railroad companies (which were processed administratively by the Division of Traffic and Rail Transportation) the Commission's Division of Accounts prepared, distributed, and processed these reports. All completed and returned annual reports were given detailed examination. Condensed data from each report was compiled in book form for use by the Commission.

The Commission has heretofore adopted uniform systems of accounts for the various classes of utilities subject to its jurisdiction.

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